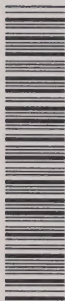


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# Foreign-owned Subsidiaries in Canada 1964-1967

A report on operations and  
financing by the larger subsidiary  
companies

Published by authority of  
The Honourable Jean-Luc Pepin,  
Minister of Industry, Trade  
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Canada





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## INTRODUCTION

This is the second report on certain aspects of the operations and financing of foreign-owned subsidiary companies in Canada. The initial report was published in June 1967 and covered the years 1964 and 1965. The present report covers the years 1964 to 1967.

The information set out in the report is derived from a survey of the larger foreign-owned subsidiaries in Canada. This survey was initiated in 1966 in order to provide on a periodic basis factual information which could be used in assessing the performance of these subsidiaries in relation to objectives set out by the Government in "Some Guiding Principles of Good Corporate Behaviour" and which would contribute, at the same time, to a clearer understanding of the role of foreign-owned subsidiaries in Canada.

The survey covers non-financial companies incorporated in Canada with assets exceeding \$5 million and whose voting shares are more than 50 per cent held by a non-resident corporation. Information for 1967 was received from 333 respondents, many of these reports represented consolidations for a number of affiliated companies. In total these reports covered the operations of 972 individual companies. For the purpose of this report the statistics represent only those of the respondents that reported in each of the four years, or 326 in total. These companies had total sales in 1964 of \$15.3 billion rising to \$20.7 billion in 1967. This volume of business is about one-quarter of the business carried on by all non-financial, non-government corporations in Canada. In the mining and manufacturing industries the activities of these companies accounted for nearly 40 per cent of total industries sales. In terms of business carried on by all non-financial corporations in Canada more than 50 per cent foreign-owned, the reporting corporations accounted for about 60 per cent of the total for all industries and 70 per cent of the total in the manufacturing and mining field.

The operational data presented in this report consist primarily of revenue derived from the sales of goods and services and of expenditures on goods and services, each categorized between domestic and foreign transactions. These data provide a quantitative basis for the examination of sales performance in both domestic and export markets and also on the degree of reliance on foreign as opposed to domestic sourcing for purchases of commodities and services. In addition, they indicate the extent of reliance by the companies on parents and affiliates as a market and as a source of supply. The four year time span covered in this report is too short to provide a reliable indication of underlying trends. The year-to-year changes shown do reflect responses to changing economic conditions and to special factors such as the Canada-United States Automotive Agreement.

Information is also provided by industry groups. This facilitates industry by industry comparisons both in terms of the nature of transactions and changes occurring over the period. In this connection it should be borne in mind that the pattern of sales and purchases varies greatly among different companies depending upon the nature of their transactions. Some companies, particularly in the resource field, were established largely to supply foreign markets while many in the area of secondary manufacturing are heavily dependent upon the domestic market. Similar variations occur in sources of supply depending upon the differing requirements. Any comparisons relating to marketing or purchasing performances should take such structural differences into account. For individual industries changes over time may be a more valid measure of performance than a comparison with other industries.

Financial information requested in the survey relates mainly to sources of funds divided between internal generation within the company and those obtained externally, with the latter again divided between Canadian and foreign sources. In addition, information is collected on earnings and their disposition. These data permit examination of the proportion of net profits paid out as dividends, shifts between foreign and domestic sources of financing and other relationships which facilitate assessment of the role of international companies in financing Canada's development.

The data presented in this report are not strictly comparable with those shown in the initial report. The reports of about 60 additional companies have been included bringing the total for transactions significantly above those previously shown. Additional detail is provided on non-merchandise transactions and some information is presented on transactions of companies on the basis of geographical location of ownership.

A fuller description of the technical features of the survey including the industry classification used and the response received is contained in Appendix I. Copies of the questionnaire forms and the "Guiding Principles of Good Corporate Behaviour" are contained in Appendix II.

This report has been made possible through the excellent cooperation of the subsidiary companies in supplying information and the assistance of the Dominion Bureau of Statistics in collecting and tabulating the data.

J. H. WARREN

*Deputy Minister,*  
Department of Industry, Trade and Commerce





## SUMMARY

This report covers the operations and financing of the larger foreign-owned subsidiaries in Canada for the period 1964 to 1967. This summary outlines significant trends in domestic and foreign purchases and sales, profitability and financing during this period. More detailed analyses and statistics are contained in the ensuing sections of the report.

The data reported by the companies confirm the important place of foreign-owned subsidiaries in the Canadian economy. While measures of the relative importance of such companies within the total economy are to be regarded only as approximations they nevertheless suggest that in the important manufacturing and mining fields the reporting companies accounted for more than one-third of total Canadian production and of salaries and wages paid. In addition, exports of all responding companies represented more than one-third of all Canadian exports and about one-third of all imports. If allowance is made for the smaller subsidiaries not covered by the survey the proportions would be greater. As a direct result of their international affiliations these companies play a relatively even more important role in Canada's international payments and receipts. Their payments abroad for interest and dividends amounted to about 50 per cent of the total for Canada. Inflows of capital from abroad for these companies totalled \$560 million in 1965, \$466 million in 1966 and \$207 million in 1967. It is obvious that the performance of these subsidiary companies has a very important bearing on economic trends in Canada in general and more particularly on Canada's international payments position.

During the period under review, 1964 to 1967, the responding companies showed a sharp expansion in terms of sales and purchases both domestically and abroad. Total sales rose by about 12 per cent in both 1965 and 1966 and registered a further advance of almost 8 per cent in 1967. Purchases of merchandise increased by even more. While both sales and purchases of merchandise were primarily in the Canadian market, averaging about 80 per cent in terms of sales and 70 per cent in terms of purchases, a trend towards increased participation in international trade was apparent. Between 1964 and 1967 the value of exports by these companies increased by 61 per cent and imports by 67 per cent. As a result, by 1967 exports by the reporting companies accounted for 22 per cent of total sales compared with 19 per cent in 1964. Similarly in 1967, 33 per cent of purchases were made abroad compared with 27 per cent in 1964.

The performance of the subsidiary companies should be viewed in the light of the general economic environment during the period under review and of special factors that had an important bearing on their operations. The period from 1964 to 1966 was one of very rapid economic expansion in Canada. Gross national expenditures rose at a rate approaching 10 per cent each year. Merchandise

exports in both 1964 and 1966 increased by some one-sixth although the increase in 1965 was a more modest six per cent. The value of merchandise imports rose each year by from 14 to 17 per cent. Manufacturers' shipments rose by about 10 per cent in each year. In 1967, some slowing in the rate of economic growth occurred. Gross national expenditures rose by less than seven per cent and factory shipments by four per cent, while exports increased by 10 per cent and imports registered a gain of nearly seven per cent.

While operating within a generally favourable economic environment over the period 1964 to 1967, foreign-owned companies appear to have expanded more rapidly than did the economy as a whole and particularly so in regard to international trade.

The very sharp increase in exports and imports of reporting companies was importantly affected by the implementation of the Canada - United States automotive agreement. This resulted in substantially increased two-way trade between Canada and the United States in automotive products. The operations of the major motor vehicles manufacturers in Canada are included in this report and represent the largest part of the figures shown for the transportation equipment industry. Exports of companies in the transportation equipment industry rose from \$375 million in 1964 to \$1,748 million in 1967. Imports by these companies amounted to \$715 million in 1964 and to \$1,966 million in 1967. These increases are largely attributable to the motor vehicle companies and result from the automotive agreement. If the transportation equipment companies are excluded exports of all other reporting companies increased about in line with total Canadian exports (excluding automotive products). For these same companies exports as a proportion of total sales declined through the period as did imports as a proportion of total purchases. It should be noted that some industry groups appear to have increased their emphasis on international trade notably the machinery and electrical products industry, while others including the pulp and paper, chemicals, and food and beverage groups both exported and imported relatively less.

In each year under review exports by the reporting companies exceeded imports. This favourable balance on merchandise account was in the order of \$400 to \$500 million in each year except 1965 when the balance amounted to \$82 million.

The income of reporting companies was almost entirely from sales and the minor amount of other incomes received was primarily from Canadian sources. The major current expense of the companies other than for purchase of goods was for salaries and wages and this was incurred almost



entirely in Canada. In total, purchases of merchandise and salary and wage payments accounted for more than 80 per cent of current expenses. Of the other expenses about 90 per cent were incurred in Canada and the remainder abroad. Over the period under review there was a small increase in the proportion of such expenses incurred abroad. This appears to have been largely due to increased interest payments and is associated with the rising interest rates. Payments abroad for such purposes as royalties, management fees and scientific research and development were relatively small and if anything, appear to have declined as a proportion of total payments.

In addition to the foregoing the reporting companies made substantial payments in the form of dividends. As all reporting companies are more than 50 per cent foreign-owned the largest part of these dividend payments were made abroad. In total, dividend payments amounted to \$385 million in 1964, rose to \$425 million in 1965 and to \$459 million in 1966, and declined to \$371 million in 1967. From 1964 to 1966 dividends amounted to about 50 per cent of the companies' after-tax profits. The decline in dividend payments in 1967 was partly a reflection of reduced profits and partly of the relatively smaller proportion, 42 per cent, of profits being paid in dividends in that year. Of the total dividends declared about 90 per cent were credited to non-resident shareholders in the years 1964 to 1966. In 1967, while total dividend payments declined, those to Canadian residents continued to increase and in that year amounted to 14 per cent of the total. It should be noted that among individual companies there is a great diversity in dividend policies. Many companies paid no dividends in the period under review. In some years certain companies paid dividends in excess of their current year's profit. There was also a great diversity in the year-to-year dividend payments by individual companies.

In total, foreign payments on non-merchandise current account and for dividends much exceeded such receipts from abroad. After allowance for withholding tax the deficit was in the range of \$500 to \$600 million each year. These deficits exceeded the surpluses earned by these companies on merchandise account. The overall deficit in such international transactions including merchandise account, was less than \$100 million in both 1964 and 1967, about \$150 million in 1966 and approached \$500 million in 1965.

The companies covered in the survey also provided information on their sources of financing. Such financing is in part from internal sources through retained earnings and depreciation allowances and, in part from external sources through borrowings and the sale of equity. Funds from both sources combined amounted to about \$2 billion in each year from 1965 to 1967 although the total in 1966 was slightly less than in 1965 and a further slight reduction

occurred in 1967. During this period the internal generation of funds through both retained earnings and depreciation allowances continued to rise with the result that smaller amounts had to be raised from external sources. Internal generation of funds accounted for 62 per cent of requirements in 1965, for 64 per cent in 1966 and for 71 per cent in 1967. While the demands for external financing declined during this period the demands by the companies on Canadian sources continued to rise. Canadian sources accounted for 28 per cent of all external financing in 1965, for 37 per cent in 1966 and for 64 per cent in 1967. Conversely, there was a sharp decline in funds obtained from abroad, from \$560 million in 1965 to \$207 million in 1967. These developments are in part associated with the trend in business investment (including inventory investment) in the Canadian economy generally. Such investment increased less rapidly in 1966 than in 1965 and actually declined in 1967. In addition, during this period the United States Government issued voluntary guidelines to United States companies asking them to restrict their foreign direct investments. While these guidelines seem to have had no significant inhibiting effect on Canadian economic development they may nevertheless have contributed to the greater reliance on Canadian sources of funds exhibited by the subsidiary companies.

In the total international transactions of the participating companies, inflows of funds for capital purposes appear to have almost offset the net outflows that occurred on current account including dividend payments.

In addition to information on their overall transactions and financing the companies provided data on a geographic basis and on transactions with parents and affiliates.

By far the largest part of both income and expenses were within Canada, about four-fifths in each case. Foreign transactions were largely with the United States. Of total income received from foreign sources approximately two-thirds was from the United States and in the case of expenses incurred abroad more than three-quarters were in that country. In the period under review the proportion of foreign income and expense due to United States transactions increased sharply. In the case of foreign income the proportion derived from the U.S. increased from 61 per cent in 1964 to 76 per cent in 1967 and in the case of foreign expenses those incurred in the United States rose from 76 per cent to 82 per cent over the same period. An important part of this growing importance of the United States both as a market and a source of supply resulted from the increased trade connected with the automotive agreement. However, even if the transportation industry is excluded, the other industries as a whole also showed a greater dependency on the United States market with the proportion rising from 60 per cent in 1964 to 66 per cent in 1967. The industries other than transportation equip-



ment also showed some tendency to rely increasingly on the United States as a source of supply. The proportion for these was 65 per cent in 1964 and 67 per cent in 1967.

As outlined previously the companies showed a sharply greater reliance on Canada as a source of external funds between 1965 and 1967. However, the external funds obtained from abroad were almost entirely from the United States in the three years for which information is available.

Transactions with foreign parents and affiliates accounted for a substantial portion of the total international transactions of these subsidiary companies. Of total income received from abroad, almost all of which resulted from exports, more than one-half originated with affiliated companies. The proportion grew sharply over the period, from 50 per cent in 1964 to 67 per cent in 1967. There was an even greater reliance on affiliates as a source of supply with more than 70 per cent of foreign expenses (including dividends) being paid to such affiliates. The proportion for merchandise purchases from affiliates was slightly less, averaging about 69 per cent. In the case of both total expenses and expenses for merchandise purchases the proportion going to affiliates showed little change over the period. There was, however, some marked differences in the proportion of trade accounted for by affiliates in the United States and in other foreign countries. Exports to affiliates in the U.S. accounted for 62 per cent of total exports to that country in 1964 and this grew to 79 per cent in 1967. Exports to affiliates in other countries accounted for 28 per cent of such trade in 1964 and there was no evidence of this proportion increasing. On the average, on the import side, purchases from affiliates in the United States accounted for about 68 per cent of all purchases in that country while purchases from affiliates in other foreign countries accounted for almost 71 per cent of the total. The very sharp increase in exports to affiliates in the United States was almost entirely the result of increasing trade between Canadian automotive producers and their United States parents and affiliates. If these are excluded there appears to be no significant trend in other industries as a whole towards an increased proportion of export trade being with affiliates.

In addition to providing a major market and source of supply for the Canadian subsidiaries, foreign affiliates also supplied most of their foreign financing. Of all financing done outside Canada, about 75 per cent came from affiliates in both 1965 and 1966 and 100 per cent in 1967.

This report also provides information on the operations of subsidiary companies on the basis of the country in which ownership of the subsidiaries is vested. These subsidiary companies are largely owned in the United States. In 1964 about 83 per cent of the revenues of all companies covered were accounted for by subsidiaries owned in the United States, 10 per cent by British-owned companies and the remaining seven per cent by companies owned in other foreign countries. By 1967, the U.S. proportion had increased to 86 per cent while the proportion for Britain had declined to nine per cent and that of other countries to five per cent.

There are certain marked similarities among these companies regardless of country of ownership. In 1967 the proportion of total sales exported and the proportion of total purchases imported was similar for the U.S.-owned, British-owned and other foreign-owned groups of companies. The major foreign market for all three groups was the United States. This country accounted for 78 per cent of the exports of U.S.-owned companies, 61 per cent of those of British-owned companies and 74 per cent in the case of other foreign-owned companies. For all these groups this proportion was greater than in 1964.

The major differences were in the source of imports. In 1967 U.S.-owned companies obtained about 87 per cent of their imports from the United States while companies controlled in Britain and other foreign countries obtained more than 60 per cent of their imports from countries other than the United States. The imports for all groups were principally in the form of purchases from foreign affiliates, 72 per cent for U.S.-owned companies, 46 per cent for British-owned companies and 79 per cent for companies owned in other foreign countries. The foreign sales of British-owned companies were primarily to non-affiliates with only about one-third of total sales going to affiliates. Both U.S.-owned companies and those owned in other foreign countries (excluding Britain) had the larger proportion of their exports to affiliates.

In short, the country of ownership does not appear to affect the extent of international trade of a subsidiary company but companies do tend to source their imports with parents and affiliates and sell in the most accessible foreign market, namely the United States.

## SECTION 1. — INCOME, EXPENSES, EARNINGS AND DIVIDENDS

### Income

The total income of the reporting corporations rose from \$15.6 billion in 1964 to about \$21.2 billion in 1967, an increase of 35 per cent. The year-to-year gain was 12 per cent in both 1965 and 1966, and 7½ per cent in 1967. This income was largely derived from operating sales, about 98 per cent in each year. The home market continued to absorb the bulk of these operating sales but the proportion

going abroad did rise from 19 per cent of the 1964 total to 22 per cent of that of 1967. Over the 1964 to 1967 period, sales in Canada grew from about \$12½ billion to \$16.1 billion for a gain of 29 per cent while export sales rose from \$2.9 billion to \$4.6 billion or by 61 per cent.

Available information suggests that the reporting corporations out-performed the Canadian economy as a whole over the 1964 to 1967 period.

**SUMMARY TABLE 1. Income, All Reporting Corporations, Annually, 1964 to 1967**

Item	1964	1965	1966	1967	Percentage increase, 1964 to 1967
<i>Income:</i>	<i>In millions of dollars</i>				<i>Per cent</i>
— From operating sales					
In Canada.....	12,492	14,057	15,311	16,143	29
Abroad.....	2,850	3,074	3,949	4,599	61
Total.....	15,342	17,131	19,260	20,742	35
— Other receipts <sup>(1)</sup> .....	305	383	413	415	36
Total income.....	15,647	17,514	19,673	21,157	35
Value all manufacturers' shipments <sup>(2)</sup> .....	30,857	33,889	36,928	38,533	25
Value of total Canadian exports <sup>(3)</sup> .....	8,238	8,745	10,326	11,338	38
<i>Sales abroad of reporting corporations as proportion of:</i>	<i>In percentages</i>				
— Their total operating sales.....	19	18	21	22	—
— Total Canadian exports.....	35	35	38	41	—

(1) Interest, dividends, rent, royalties, payment for scientific research and development, etc.

(2) Data from *Inventories, Shipments and Orders in Manufacturing Industries*. DBS July, 1968.

(3) Figures from *The Canadian Balance of International Payments 1963, 1964 and 1965 and International Investment Position*, and from *Quarterly Estimates of the Canadian Balance of International Payments, Fourth Quarter, 1968 and Second Quarter, 1969*, published by the Dominion Bureau of Statistics.

Thus, while the total value of all manufacturers' shipments increased by about 25 per cent between 1964 and 1967, the total sales of the companies covered in the guidelines survey rose by 35 per cent, and, while total Canadian commodity exports grew by 38 per cent, the export sales of the reporting corporations rose by 61 per cent. As a result, sales abroad of the reporting corporations increased their share of total Canadian exports from 35 per cent in 1964 to 41 per cent in 1967.

A significant factor in the growth of the export sales of the reporting corporations over the 1964 to 1967 period was the implementation of the Canada-United States automotive agreement which brought sharp increases in the two-way trade in motor vehicles and parts with the United States. Exports of the transportation equipment industry,

which includes the motor vehicle industry, rose from \$375 million in 1964 to about \$1¼ billion in 1967, a gain of 366 per cent. The proportion of this industry's exports to its total sales increased from 14 per cent at the beginning of this period to 38 per cent at its end. As Summary Table 2a shows, the export gain achieved by the transportation industry was by far the largest of the industries listed, although increases of the order of 79 per cent and 77 per cent, respectively, are shown for the electrical products and the machinery and metal fabricating industries. These latter industries also increased the proportion of their sales going to export markets, from nine per cent to 12 per cent in each case. The only other industry to increase its foreign sales relative to total sales was the gas and oil industry where exports rose by 32 per cent and total sales by 28 per cent. (See Summary Tables 2 and 2a on the following page).



Receipts by the reporting corporations from sources other than sales kept pace with the advance in sales, rising from \$305 million in 1964 to \$415 million in 1967, a gain of 36 per cent over the period. As a result, the proportion of total income stemming from sources other than sales remained constant at about two per cent over the period. The more important constituents of this other income total are the revenues from interest, rent and dividends, and payments received for research and development work carried out. Interest received by the reporting corporations increased from \$59 million in 1964 to \$97 million in 1967 or by 64 per cent; rent received for property and

equipment grew from \$50 million to \$75 million or by one-half; revenue from research work rose from \$16 million in 1964 to \$27 million in 1967, a gain of 69 per cent; and dividends received changed little over the period, amounting to between \$52 million and \$55 million in all years covered. By far the larger part of this other income originated in Canada, about 84 per cent in both 1964 and 1967, and with between two-thirds and four-fifths of the remainder coming from foreign countries other than the United States. In percentage terms, however, income from the United States recorded the largest gain over the 1964-1967 period, rising by 91 per cent, but this only totalled \$21 million in 1967 compared with the \$44 million received from other foreign countries and the \$350 million that originated in Canada.

**SUMMARY TABLE 2. Total Sales and Export Sales, All Reporting Corporations, by Industry, Annually, 1964 and 1967**

Industry	In millions of dollars			
	Total sales		Export sales	
	1964	1967	1964	1967
Mining and primary metals	760	859	364	395
Gas and oil . . . . .	2,946	3,768	342	453
Machinery and metal fabricating . . . . .	1,111	1,479	99	175
Transportation equipment	2,615	4,643	375	1,748
Electrical products, . . . .	962	1,314	90	161
Chemical products . . . .	1,120	1,377	109	99
Food and beverage . . . .	1,470	1,683	143	111
Pulp and paper, . . . . .	1,158	1,351	749	803
Other manufacturing . . . .	980	1,255	79	92
Wholesale trade . . . . .	868	1,004	485	548
Other non-manufacturing	1,352	2,009	15	14
<b>Total . . . . .</b>	<b>15,342</b>	<b>20,742</b>	<b>2,850</b>	<b>4,599</b>

### Expenses

Current expenses of the reporting corporations rose from some \$14.2 billion in 1964 to \$19.9 billion in 1967. This represents an increase of 40 per cent over the period, and compares with the gain of 35 per cent shown for total income.

Total merchandise purchases of these corporations amounted to \$12.6 billion in 1967, two-fifths more than the comparable 1964 figure of \$8.9 billion. The proportion of total purchases comprised by purchases in Canada declined from 73 per cent at the beginning of the period to 68 per cent at its end. The rise in purchases abroad from \$2.4 billion in 1964 to \$4.1 billion in 1967 represents an increase of 67 per cent, more than twice the gain posted for purchases in Canada during this period, and considerably higher than the 43 per cent increase in total Canadian

**SUMMARY TABLE 2a. Percentage Changes in Total Sales and in Export Sales, 1964 to 1967, and Proportions of Export Sales to Total Sales in 1964 and 1967, All Reporting Corporations, by Industry**

Industry	Percentage changes in sales 1964 to 1967		Proportions of export sales to total sales	
	Total sales	Export sales	1964 Per cent	1967 Per cent
Mining and primary metals, . . . . .	+13	+ 9	48	46
Gas and oil, . . . . .	+28	+32	12	12
Machinery and metal fabricating, . . . . .	+33	+77	9	12
Transportation equipment, . . . . .	+78	+366	14	38
Electrical products, . . . . .	+37	+79	9	12
Chemical products, . . . . .	+23	- 9	10	7
Food and beverage, . . . . .	+14	-22	10	7
Pulp and paper, . . . . .	+17	+ 7	65	59
Other manufacturing, . . . . .	+28	+16	8	7
Wholesale trade, . . . . .	+16	+13	56	55
Other non-manufacturing, . . . . .	+49	- 7	1	1
<b>Total, . . . . .</b>	<b>+35</b>	<b>+61</b>	<b>19</b>	<b>22</b>

commodity imports that took place between 1964 and 1967. However, as discussed below, much of the increase in the purchase of imported merchandise, both in absolute

and relative terms, stems directly from the much higher imports of the transportation equipment industry associated with the Canada-United States automotive agreement.

**SUMMARY TABLE 3. Income Other Than From Sales, All Reporting Corporations, by Major Item and by Geographic Area, Annually, 1964 to 1967**

	1964	1965	1966	1967	Percentage increase, 1964 to 1967 Per cent
Other income	In millions of dollars				
<i>By major item:</i>					
Dividends . . . . .	53	52	55	54	2
Interest . . . . .	59	70	87	97	64
Rent from property and equipment . . . . .	50	59	74	75	50
Scientific research and development . . . . .	16	37	22	27	69
All other sources . . . . .	127	165	175	162	28
<b>Total . . . . .</b>	<b>305</b>	<b>383</b>	<b>413</b>	<b>415</b>	<b>36</b>
<i>By geographic area:</i>					
United States . . . . .	11	18	14	21	91
Other foreign countries . . . . .	38	34	45	44	16
All foreign countries . . . . .	49	52	59	65	33
Canada . . . . .	256	331	354	350	37
<b>Total . . . . .</b>	<b>305</b>	<b>383</b>	<b>413</b>	<b>415</b>	<b>36</b>

**SUMMARY TABLE 4. Expenses, All Reporting Corporations, Annually, 1964 to 1967**

Item	1964	1965	1966	1967	Percentage increase, 1964 to 1967
In millions of dollars					Per cent
<i>Expenses:</i>					
Purchases of merchandise <sup>(1)</sup>					
In Canada . . . . .	6,442	7,172	8,381	8,574	33
Abroad . . . . .	2,430	2,992	3,481	4,063	67
<b>Total . . . . .</b>	<b>8,872</b>	<b>10,164</b>	<b>11,862</b>	<b>12,637</b>	<b>42</b>
Other current expenses <sup>(2)</sup> . . . . .	5,291	5,926	6,552	7,230	37
Total merchandise purchases and other current expenses . . . . .	14,163	16,090	18,414	19,867	40
<b>Value of total Canadian imports<sup>(3)</sup> . . . . .</b>	<b>7,537</b>	<b>8,627</b>	<b>10,102</b>	<b>10,772</b>	<b>43</b>
Merchandise purchases abroad of the reporting corporations as proportion of:					In percentages
— Their total purchases of merchandise . . . . .	27	29	29	32	
— Total Canadian imports . . . . .	32	35	34	38	

(1) Includes capital equipment.

(2) Covers salaries and wages, interest, royalties, rent, outlays on research and development, etc., and excludes dividend payments.

(3) Figures are from *The Canadian Balance of International Payments 1963, 1964 and 1965 and International Investment Position*, and from *Quarterly Estimates of the Canadian Balance of International Payments, Fourth Quarter, 1968, and Second Quarter, 1969*, published by the Dominion Bureau of Statistics.



The total purchases and the purchases made abroad by the reporting corporations classified by eleven industry groupings are shown in Summary Table 5 below.

Each of the eleven industries in the classification had larger total purchases in 1967 than in 1964, the increases ranging from \$60 million or eight per cent for the wholesale trade to almost \$1.6 billion or 95 per cent for the transportation equipment industry. All but one of the eleven groups show higher purchases abroad in 1967 than three years earlier, the exception being the food and beverage industry where purchases abroad declined from \$222 million in 1964 to \$201 million in 1967, or by nine per cent. The increases in purchases abroad varied from eight per cent for the pulp and paper industry to 175 per cent in the case of the transportation equipment industry.

Purchases abroad as a proportion of total purchases were higher in 1967 than three years earlier in the cases of only two industries, machinery and metal fabricating and transportation equipment. In the chemical and the food and beverage industries there was a moderate decline in the proportion of purchases made abroad while in other industry groupings the proportion was slightly lower in the cases of six and unchanged in the case of one.

The implementation and operation of the Canada-United States automotive agreement was a major factor in the changes in the total purchases and the purchases abroad of the reporting corporations that took place between 1964 and 1967. The transportation equipment industry, of which the motor vehicles and parts industry is an important part, accounted for almost \$1.6 billion of the \$3.8 billion increase shown in total purchases over the 1964 to 1967 period and for \$1¼ billion of the \$1.6 billion rise in

purchases made abroad. The heavy reliance of the transportation equipment industry on foreign sources of supply as well as on external markets is evident in the high proportions of its total purchases made abroad, 44 per cent in 1964 and 62 per cent in 1967. These are the highest proportions shown by any of the eleven industry groups listed, and compare with the averages for the eleven industries of 27 per cent in 1964 and 32 per cent in 1967.

Current expenses, other than for the purchase of merchandise, of the reporting corporations rose from \$5.3 billion in 1964 to \$7.2 billion in 1967, an increase of 37 per cent which is in line with the 42 per cent gain shown in the purchases of merchandise over this period. The bulk of these outlays, some \$5 billion in 1964 and \$6.8 billion in 1967 were made in Canada, i.e. around 95 per cent of the total in each year. The largest expenditure item was salaries and wages, with \$2.6 billion going for this purpose in 1964 and \$3½ billion in 1967, representing 49 per cent of the total in 1964 and 48 per cent three years later. Other sizeable items in other expenses were rents paid on property and equipment, interest payments, outlays for scientific research and development, and payments of royalties. These items totalled \$411 million in 1964 and had risen to an aggregate \$601 million in 1967. Rents amounted to \$135 million in 1964 and to \$182 million three years later, interest payments increased from \$113 million to \$213 million over the period, research and development expenditures were \$98 million in 1964 and \$120 million in 1967, and royalties paid grew from \$65 million at the beginning of the period to \$86 million at its end. In 1964, \$215 million of the \$248 million paid to non-residents went to the United States, and this 87 per cent proportion had risen to 90 per cent by 1967 when \$364 million of the \$403 million total going out of the country went to the United States.

**SUMMARY TABLE 5. Total Purchases and Purchases Made Abroad, All Reporting Corporations, by Industry, 1964 and 1967**  
In millions of dollars

Industry	Total purchases		Purchases made abroad	
	1964	1967	1964	1967
Mining and primary metals. . . . .	300	378	78	94
Gas and oil. . . . .	1,649	2,253	380	469
Machinery and metal fabricating . . . . .	631	843	245	379
Transportation equipment. . . . .	1,629	3,184	715	1,966
Electrical products. . . . .	514	750	153	221
Chemical products. . . . .	575	747	189	209
Food and beverage . . . . .	921	1,044	222	201
Pulp and paper . . . . .	473	615	36	39
Other manufacturing . . . . .	519	659	166	207
Wholesale trade. . . . .	787	847	202	220
Other non-manufacturing . . . . .	874	1,317	44	58
<b>Total. . . . .</b>	<b>8,872</b>	<b>12,637</b>	<b>2,430</b>	<b>4,063</b>

**SUMMARY TABLE 5a. Percentage Changes in Total Purchases and in Purchases Made Abroad, 1964 to 1967, and Proportions of Purchases Made Abroad to Total Purchases in 1964 and in 1967, All Reporting Corporations, by Industry**

Industry	Percentage changes in purchases 1964 to 1967		Proportions of purchases made abroad to total purchases	
	Total purchases	Purchases made abroad	1964 Per cent	1967 Per cent
Mining and primary metals . . . . .	+26	+21	26	25
Gas and oil . . . . .	+37	+23	23	21
Machinery and metal fabricating . . . . .	+34	+55	39	45
Transportation equipment . . . . .	+95	+175	44	62
Electrical products . . . . .	+46	+44	30	29
Chemical products . . . . .	+30	+11	33	28
Food and beverage . . . . .	+13	- 9	24	19
Pulp and paper . . . . .	+30	+ 8	8	6
Other manufacturing . . . . .	+27	+25	32	31
Wholesale trade . . . . .	+ 8	+ 9	26	26
Other non-manufacturing . . . . .	+51	+32	5	4
<b>Total . . . . .</b>	<b>+42</b>	<b>+67</b>	<b>27</b>	<b>32</b>

**SUMMARY TABLE 6. Expenses Other Than for Purchases of Merchandise,<sup>(1)</sup> by Major Item and by Geographic Area, All Reporting Corporations, Annually, 1964 to 1967**

Other expenses	1964	1965	1966	1967	Percentage increase, 1964 to 1967
<i>By major item:</i>					
	In millions of dollars				Per cent
Salaries and wages . . . . .	2,570	2,939	3,296	3,488	36
Interest . . . . .	113	134	164	213	88
Royalties . . . . .	65	79	87	86	32
Rent on property and equipment . . . . .	135	149	167	182	35
Scientific research and development . . . . .	98	124	117	120	22
All other current expenses . . . . .	2,310	2,501	2,721	3,141	36
<b>Total . . . . .</b>	<b>5,291</b>	<b>5,926</b>	<b>6,552</b>	<b>7,230</b>	<b>37</b>
<i>By geographic area:</i>					
United States . . . . .	215	249	279	364	69
Other foreign countries . . . . .	33	29	34	39	18
All foreign countries . . . . .	248	278	313	403	63
Canada . . . . .	5,043	5,648	6,239	6,827	35
<b>Total . . . . .</b>	<b>5,291</b>	<b>5,926</b>	<b>6,552</b>	<b>7,230</b>	<b>37</b>

<sup>(1)</sup> Excluding purchases of capital equipment, and dividend payments.

## Earnings and Their Disposition

The reporting corporations showed a profit before provisions for income tax and depreciation of \$2.4 billion in 1967, \$288 million or 14 per cent more than in 1964. As Summary Table 7 shows this profit increased each year in the period, with the largest year-to-year rise taking place between 1964 and 1965, i.e. \$199 million. Of the 1964

total, 28 per cent went to Government as income tax, 34 per cent was set aside for depreciation and similar purposes, and the remaining 38 per cent was the net profit. The 1967 total was allocated as follows; 26 per cent for income tax, 37 per cent for depreciation, etc., and 37 per cent for net profit. The net profit for 1964 amounted to \$808 million, and of this, \$385 million or 48 per cent was paid out in



dividends and the remaining \$423 million went to retained earnings. The comparable figures for 1967 are: net profit, \$877 million, dividends declared, \$371 million or 42 per

cent, retained earnings, \$506 million or 58 per cent. Of the dividends declared, nine per cent went to residents of Canada in 1964 and 14 per cent in 1967.

**SUMMARY TABLE 6a. Proportions of Major Items in Expenses Other than For Purchases of Merchandise, and Percentage Distribution by Geographic Area of Expenses Other Than for Purchases of Merchandise, All Reporting Corporations, 1964 and 1967**

Other expenses	Percentage distribution	
	1964 Per cent	1967 Per cent
<i>By major item:</i>		
Salaries and wages . . . . .	49	48
Interest . . . . .	2	3
Royalties . . . . .	1	1
Rent on property and equipment . . . . .	2	3
Scientific research and development . . . . .	2	2
All other current expenses. . . . .	44	43
<b>Total . . . . .</b>	<b>100</b>	<b>100</b>
<i>By geographic area:</i>		
United States . . . . .	4	5
Other foreign countries. . . . .	1	1
All foreign countries. . . . .	5	6
Canada. . . . .	95	94
<b>Total . . . . .</b>	<b>100</b>	<b>100</b>

**SUMMARY TABLE 7. Total Profits, Provisions for Income Tax and for Depreciation, Net Profits, Dividends Declared, and Retained Earnings, All Reporting Corporations, Annually, 1964 to 1967**

Item	1964	1965	1966	1967	Percentage change 1964 to 1967
<i>In millions of dollars</i>					<i>Per cent</i>
1. <i>Total profit</i> <sup>(1)</sup>					
Total income . . . . .	15,647	17,514	19,673	21,157	+35
Total expenses. . . . .	13,535	15,202	17,284	18,757	+39
<b>Total profit. . . . .</b>	<b>2,112</b>	<b>2,311</b>	<b>2,389</b>	<b>2,400</b>	<b>+14</b>
2. <i>Net profit</i>					
Total profit. . . . .	2,112	2,311	2,389	2,400	+14
Provision for income tax. . . . .	593	638	648	628	+ 6
Other provisions, including depreciation allowances. . .	711	828	831	894	+26
<b>Net profit . . . . .</b>	<b>808</b>	<b>845</b>	<b>910</b>	<b>877</b>	<b>+ 9</b>
3. Dividends declared . . . . .	385	425	459	371	- 4
Retained earnings . . . . .	423	420	451	506	+20
<b>Total . . . . .</b>	<b>808</b>	<b>845</b>	<b>910</b>	<b>877</b>	<b>+ 9</b>

(1) Profit before provisions for income tax and for depreciation and similar purposes.

Note: Totals may not add or subtract exactly, due to rounding.

In comparing dividend payments in 1967 with those in 1964 it is noteworthy that total payments of dividends in 1967 were less than in 1964 or in any of the intervening years. At the same time dividends to Canadian residents continued to rise while there was a sharp drop in payments to non-residents. Dividends going to non-residents, of course, are subject to the Canadian withholding tax so that the actual outflow of funds from Canada in the form of dividends would be up to 15 per cent less than the amounts mentioned. Thus, taking account of the withholding tax, it would appear that of the total profits, in 1964 about 30 per

cent went to Government in the form of income and withholding taxes, 54 per cent went back into Canadian operations as depreciation allowances and retained earnings, about two per cent was paid to shareholders in Canada, and about 14 per cent went to shareholders outside of Canada. The distribution of the 1967 total profits was; to Government as income and withholding taxes, 28 per cent, kept in the business as depreciation allowances and retained earnings, 58 per cent, paid as dividends to Canadians, two per cent, and paid to non-resident shareholders, 12 per cent.

SUMMARY TABLE 7a. Percentage Distribution of Total and Net Profits, by Major Item, All Reporting Corporations, Annually, 1964 to 1967

Item	1964	1965	1966	1967
	Percentage distribution			
<i>Total profit</i>				
— Provision for income tax . . . . .	28	28	27	26
— Other provisions, including depreciation allowances. . . . .	34	36	35	37
Dividends declared . . . . .	18	18	19	16
Retained earnings . . . . .	20	18	19	21
— Total net profit . . . . .	38	36	38	37
<b>Total profit . . . . .</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<i>Net profit</i>				
— Dividends declared . . . . .	48	50	50	42
— Retained earnings . . . . .	52	50	50	58
<b>Total net profit . . . . .</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Between the years 1964 and 1966 both total profits and net profits of reporting corporations showed a strong upward trend with the increases amounting to 14 per cent for the former and to nine per cent in the case of the latter. During this period there were no significant differences in the distribution of profits. Over this period; provision for income tax and depreciation allowances accounted for about 63 per cent of the total, and net after-tax profits for the remaining 37 per cent. About one-half of the net profits were paid out in dividends with 90 per cent of this going to non-residents. In 1967 there was only a small increase in total profits and net profits were lower than in the previous year. Depreciation allowances increased throughout the period. These and the amount of net profit retained in the businesses were higher in 1967 than in 1966, the adjustment to lower profits being made entirely in a reduction in dividend payments to non-residents. Total

dividend payments in that year fell to 42 per cent of net profits.

It should be noted that there is a wide divergence among reporting companies in their dividend policies and particularly for wholly-owned subsidiaries, dividend payments in any year may have little relation to profits in that year. Many companies paid no dividends in any year, some paid substantial dividends in certain years and none in others, and a few companies at times paid dividends in excess of their current year's profit. These actions are probably determined by the relative needs of the subsidiary or parent for funds at any point in time. In the case of dividends being paid in excess of profits this may result from the liquidation of assets and the proceeds being paid out in dividends. While such differing actions tend to cancel out in the total, unusual actions by one or a few companies may affect the results for any industry group.



**SUMMARY TABLE 8. Dividends Declared by Geographic Area, All Reporting Corporations, Annually, 1964 to 1967**

Dividends declared	1964	1965	1966	1967	Percentage change 1964 to 1967
<i>Amounts to residents of:</i>					
	<i>In millions of dollars</i>				<i>Per cent</i>
United States. . . . .	307	336	367	272	- 11
Other foreign countries . . . . .	42	45	46	47	+12
All foreign countries. . . . .	349	381	413	319	- 9
Canada. . . . .	36	44	46	52	+44
<b>Total . . . . .</b>	<b>385</b>	<b>425</b>	<b>459</b>	<b>371</b>	<b>- 4</b>
<i>Proportions to residents of:</i>					
	<i>In percentages</i>				
United States. . . . .	80	79	80	73	
Other foreign countries . . . . .	11	11	10	13	
All foreign countries. . . . .	91	90	90	86	
Canada. . . . .	9	10	10	14	
<b>Total . . . . .</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	

**SUMMARY TABLE 9. Net Profit and Dividends Declared, All Reporting Corporations, by Industry, 1964 and 1967**  
In millions of dollars

Industry	Net profits		Dividends declared	
	1964	1967	1964	1967
Mining and primary metals. . . . .	93	64	31	27
Gas and oil. . . . .	204	287	96	131
Machinery and metal fabricating. . . . .	57	67	30	14
Transportation equipment. . . . .	104	113	21	21
Electrical products. . . . .	31	44	9	22
Chemical products. . . . .	67	63	96	46
Food and beverage. . . . .	53	52	25	33
Pulp and paper. . . . .	91	53	27	38
Other manufacturing. . . . .	48	57	21	25
Wholesale trade. . . . .	16	15	9	2
Other non-manufacturing. . . . .	44	62	20	12
<b>Total. . . . .</b>	<b>808</b>	<b>877</b>	<b>385</b>	<b>371</b>

The data in Summary Tables 9 and 9a pertaining to the net profits and the dividends declared in 1964 and in 1967 by the eleven industry groups used in the survey, bear out the lack of consistency in the proportions of net profits allocated to dividends from year to year. Data in these Tables also point up the wide variation in this practice from industry to industry as well as from year to year. In only one industry, the other manufacturing grouping, did the changes in net profits and in dividends declared between 1964 and 1967 exactly match in percentage terms, there being an increase of 19 per cent in each case. In five other industry classes, the changes between 1964 and 1967 in net profits and dividends declared were in the same direction

but the magnitudes differed, quite considerably in some cases. Thus, between 1964 and 1967, the net profits of the electrical products industry rose by 42 per cent but dividends declared increased by 144 per cent, profits of the mining and primary metal industry fell 31 per cent, while the reduction in dividends declared was only 13 per cent, and while the net profits of the chemical products and wholesale trade industry each declined by six per cent over the 1964 to 1967 period, the dividends declared fell by 52 per cent in the case of the former and by 78 per cent in that of the latter. In four industries, net profits and dividends declared moved in opposite directions over the period. Profits of the machinery and metal fabricating

grouping rose by 18 per cent between the two years but the dividends declared in 1967 were 53 per cent below the level of the earlier year; and the other non-manufacturing class achieved a profit increase of 41 per cent over the period but the dividends it declared declined by 40 per cent. On the other hand, while the net profits of the pulp and paper industry were 42 per cent less in 1967 than three years earlier, dividends declared in 1967 were 41 per cent higher than in 1964, and while the net profits of the food and beverages industry fell by two per cent between 1964 and

1967, dividends declared by it rose by 32 per cent. In the eleventh industry, transportation equipment, net profits in 1967 were nine per cent above the 1964 level but the dividends declared amounted to \$21 million in each year. The wide variations in the relationship of profits and dividends are also illustrated by the figures on dividends declared as a proportion of net profits, with little consistency being evident in the same industries in the years 1964 and 1967.

**SUMMARY TABLE 9a. Percentage Changes in Net Profits and in Dividends Declared, 1964 to 1967, and Proportions of Dividends Declared to Net Profits in 1964 and in 1967, All Reporting Corporations, by Industry**

Industry	Percentage changes 1964 to 1967, in		Proportions of dividends declared to net profits	
	Net profits	Dividends declared	1964 Per cent	1967 Per cent
Mining and primary metals . . . . .	-31	-13	33	42
Gas and oil . . . . .	+41	+36	47	46
Machinery and metal fabricating . . . . .	+18	-53	53	21
Transportation equipment . . . . .	+ 9	0	20	19
Electrical products . . . . .	+42	+144	29	50
Chemical products . . . . .	- 6	-52	143	73
Food and beverage . . . . .	- 2	+32	47	63
Pulp and paper . . . . .	-42	+41	30	72
Other manufacturing . . . . .	+19	+19	44	44
Wholesale trade . . . . .	- 6	-78	56	13
Other non-manufacturing . . . . .	+41	-40	45	19
<b>Total . . . . .</b>	<b>+ 9</b>	<b>- 4</b>	<b>48</b>	<b>42</b>

The lack of any discernible relationship between dividends declared and net profits realized, both from year to year and from industry to industry, is also evident in the data in Table 2 covering the years 1965 and 1966, as well as 1964 and 1967 which have been discussed in detail above.

#### Geographic Distribution of Transactions

Some general comments have already been made in the preceding sections on the geographic distribution of the income, current expenses and dividends declared by the reporting corporations, and these are expanded below, supplemented by the additional area data shown in Summary Table 10 and 11.

By far the larger proportions of both total income earned and current expenses incurred took place in Canada in the four years covered in this study. In 1967, for example, 78 per cent of the revenues of the reporting companies originated in Canada itself, 17 per cent came from the United States and the remaining five per cent was earned in dealings with third countries. The comparable

sources of company income in 1964 were; Canada, 82 per cent, United States, 11 per cent, and other foreign countries, seven per cent. On the expenses side, in 1967, 78 per cent of the corporations' current expenses were incurred in Canada, 18 per cent in the United States, and four per cent in third countries. The corresponding area distribution for 1964 was as follows; Canada, 81 per cent, United States, 14 per cent, and other countries, five per cent. These figures also indicate that Canada's transactions with the United States in respect to both total income earned and total expenses incurred, increased in relative importance over the 1964 to 1967 period, i.e. from 11 per cent to 17 per cent for income, and from 14 per cent to 18 per cent for expenses. Conversely, the proportion of total business done in both Canada and third countries declined over the period. This development appears to be almost entirely due to the effects of the Canada-United States automotive pact, and if the transportation equipment industry's transactions are excluded, the geographical distribution shows little change in relative proportions over the 1964 to 1967 period.



As mentioned earlier the great bulk of the dividends declared by the reporting corporations went to shareholders abroad, mainly in the United States. As Summary Table 8 shows, between 1964 and 1967, from about three-quarters to four-fifths of the total dividends declared went to residents of the United States, 10 to 13 per cent to shareholders in other foreign countries, and from nine to 14

per cent to Canadian residents. Since the reporting corporations are all subsidiaries of foreign parents, and many are wholly-owned, this pattern can be expected. However, as pointed out earlier, the amounts and geographical distribution of dividends declared fluctuate from year to year and changes over such a short period as three years should not be interpreted as trends.

**SUMMARY TABLE 10. Geographic Distribution of Total Income, All Reporting Corporations, Annually, 1964 to 1967**

Total Income	1964	1965	1966	1967	Percentage change 1964 to 1967
<i>Amounts from:</i>					
	<i>In millions of dollars</i>				<i>Per cent</i>
United States . . . . .	1,757	1,978	2,800	3,530	+101
Other foreign countries. . . . .	1,142	1,148	1,208	1,134	- 1
All foreign countries. . . . .	2,899	3,126	4,008	4,664	+ 61
Canada. . . . .	12,748	14,388	15,665	16,493	+ 29
<b>Total . . . . .</b>	<b>15,647</b>	<b>17,514</b>	<b>19,673</b>	<b>21,157</b>	<b>+ 35</b>
<i>Proportions from:</i>					
	<i>In percentages</i>				
United States . . . . .	11	11	14	17	
Other foreign countries. . . . .	7	7	6	5	
All foreign countries. . . . .	18	18	20	22	
Canada . . . . .	82	82	80	78	
<b>Total . . . . .</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	

**SUMMARY TABLE 11. Geographic Distribution of Total Expenses<sup>(1)</sup> All Reporting Corporations, Annually, 1964 to 1967**

Total expenses	1964	1965	1966	1967	Percentage increase 1964 to 1967
<i>Amounts to:</i>					
	<i>In millions of dollars</i>				<i>Per cent</i>
United States . . . . .	1,986	2,560	3,056	3,666	85
Other foreign countries. . . . .	692	710	738	800	16
All foreign countries. . . . .	2,678	3,270	3,794	4,466	67
Canada . . . . .	11,485	12,820	14,620	15,401	34
<b>Total . . . . .</b>	<b>14,163</b>	<b>16,090</b>	<b>18,414</b>	<b>19,867</b>	<b>40</b>
<i>Proportions to:</i>					
	<i>In percentages</i>				
United States . . . . .	14	16	17	18	
Other foreign countries. . . . .	5	4	4	4	
All foreign countries. . . . .	19	20	21	22	
Canada . . . . .	81	80	79	78	
<b>Total . . . . .</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	

(1) Includes expenditures for capital equipment and excludes dividend payments.

TABLE 1. — Current Transactions With Residents of the United States, of Other Foreign Countries, and of Canada,  
All Reporting Corporations, Annually, 1964 to 1967

In millions of dollars

Year and item	United States	Other foreign countries	All foreign countries	Canada	All countries
1964					
Sales . . . . .	1,746	1,104	2,850	12,492	15,342
Other receipts . . . . .	11	38	49	256	305
Total income . . . . .	1,757	1,142	2,899	12,748	15,647
Purchases of merchandise . . . . .	1,686	646	2,332	5,912	8,244
Other current expenses . . . . .	215	33	248	5,043	5,291
Total merchandise purchases and other current expenses . . . . .	1,901	679	2,580	10,955	13,535
Profit before provisions for income taxes, depreciation, etc. . . . .					2,112
Provisions for income taxes . . . . .					593
Provisions for depreciation, etc. . . . .					711
Total deductions . . . . .					14,839
Net profit . . . . .					808
Balance of income credited to retained earnings . . . . .					423
Dividends paid . . . . .	307	42	349	36	385
Capital equipment purchased . . . . .	85	13	98	530	628
1965					
Sales . . . . .	1,960	1,114	3,074	14,057	17,131
Other receipts . . . . .	18	34	52	331	383
Total income . . . . .	1,978	1,148	3,126	14,388	17,514
Purchases of merchandise . . . . .	2,160	670	2,830	6,446	9,276
Other current expenses . . . . .	249	29	278	5,648	5,926
Total merchandise purchases and other current expenses . . . . .	2,409	699	3,108	12,094	15,202
Profit before provisions for income taxes, depreciation, etc. . . . .					2,311
Provisions for income taxes . . . . .					638
Provisions for depreciation, etc. . . . .					828
Total deductions . . . . .					16,669
Net profit . . . . .					845
Balance of income credited to retained earnings . . . . .					420
Dividends paid . . . . .	336	45	381	44	425
Capital equipment purchased . . . . .	151	11	162	726	888

Note: Totals may not add exactly, due to rounding.



**TABLE 1. — Current Transactions With Residents of the United States, of Other Foreign Countries, and of Canada, All Reporting Corporations, Annually, 1964 to 1967 — Continued**

In millions of dollars

Year and item	United States	Other foreign countries	All foreign countries	Canada	All countries
1966					
Sales . . . . .	2,786	1,163	3,949	15,311	19,260
Other receipts . . . . .	14	45	59	354	413
Total income . . . . .	2,800	1,208	4,008	15,665	19,673
Purchases of merchandise . . . . .	2,600	682	3,282	7,450	10,732
Other current expenses . . . . .	279	34	313	6,239	6,552
Total merchandise purchases and other current expenses . . . . .	2,879	716	3,595	13,689	17,284
Profit before provisions for income taxes, depreciation, etc. . . . .					2,389
Provisions for income taxes . . . . .					648
Provisions for depreciation, etc. . . . .					831
Total deductions . . . . .					18,763
Net profit . . . . .					910
Balance of income credited to retained earnings . . . . .					451
Dividends paid . . . . .	367	46	413	46	459
Capital equipment purchased . . . . .	177	22	199	931	1,130
1967					
Sales . . . . .	3,509	1,090	4,599	16,143	20,742
Other receipts . . . . .	21	44	65	350	415
Total income . . . . .	3,530	1,134	4,664	16,493	21,157
Purchases of merchandise . . . . .	3,097	731	3,828	7,699	11,527
Other current expenses . . . . .	364	39	403	6,827	7,230
Total merchandise purchases and other current expenses . . . . .	3,461	770	4,231	14,526	18,757
Profit before provisions for income taxes, depreciation, etc. . . . .					2,400
Provisions for income taxes . . . . .					628
Provisions for depreciation, etc. . . . .					894
Total deductions . . . . .					20,280
Net profit . . . . .					877
Balance of income credited to retained earnings . . . . .					506
Dividends paid . . . . .	272	47	319	52	371
Capital equipment purchased . . . . .	205	30	235	875	1,110

*Note: Totals may not add exactly, due to rounding.*

TABLE 2. -- Dividend Paid As a Percentage of Net Profit, All Reporting Corporations, by Industry, Annually, 1964 to 1967

Industry	1964				1965				1966				1967			
	Net profit \$ mill.	Dividend paid \$ mill.	Percentage %		Net profit \$ mill.	Dividend paid \$ mill.	Percentage %		Net profit \$ mill.	Dividend paid \$ mill.	Percentage %		Net profit \$ mill.	Dividend paid \$ mill.	Percentage %	
Mining and primary metals . . . . .	93	31	33		93	29	31		90	21	23		64	27	42	
Gas and oil . . . . .	204	96	47		246	107	43		269	120	45		287	131	46	
Machinery and metal fabricating . . .	57	30	53		62	30	48		65	38	58		67	14	21	
Transportation equipment . . . . .	104	21	20		96	69	72		94	108	115		113	21	19	
Electrical products . . . . .	31	9	29		40	17	43		48	17	35		44	22	50	
Chemical products . . . . .	67	96	143		73	44	60		73	41	56		63	46	73	
Food and beverage . . . . .	53	25	47		52	24	46		56	32	57		52	33	63	
Pulp and paper . . . . .	91	27	30		83	50	60		78	36	46		53	38	72	
Other manufacturing . . . . .	48	21	44		28	31	111		58	25	43		57	25	44	
Wholesale trade . . . . .	16	9	56		20	10	50		17	5	29		15	2	13	
Other non-manufacturing . . . . .	44	20	45		52	14	27		62	16	26		62	12	19	
Total . . . . .	808	385	48		845	425	50		910	459	50		877	371	42	

Note: Totals may not add exactly, due to rounding.



## SECTION 2. — CURRENT INTERNATIONAL TRANSACTIONS

The substantial foreign business carried on by the reporting corporations, referred to in the previous discussion on their incomes and expenses, plays an important part in Canada's overall balance of international payments position. These foreign transactions involve the international exchange of both goods and services, and arise in many cases because of the multinational or international nature of the reporting companies, i.e. because they are subsidiary companies with close relations with parents and affiliates outside of Canada. Some Canadian subsidiaries supply parents and sister companies abroad with raw and processed materials and many rely on parents or foreign affiliates for components and supplies. There is also a two-way trade in finished goods of a kind not produced by the importing company. These are distributed and serviced by the importing corporation and this type of trade contributes to the rationalization of output and to providing both subsidiary and parent with a fuller line of products to offer clients. In addition to this two-way flow of goods between parents and subsidiaries in Canada, there is a continuous interchange of services which involve the international transfer of funds. Such services include returns on invested capital, fees for management and advertising services, payments and receipts of royalties, licensing fees, and rent, income or expenditure for research and development work, etc.

In interpreting the trade data shown in this study, it should be kept in mind that figures on the export of goods represent in most cases the values of sales made directly to foreign buyers while the figures on imports cover only purchases made directly from foreign suppliers. Thus, import totals do not include goods of foreign origin purchased from a Canadian supplier and they do, for the

most part, include duties and charges for transportation within Canada.

### Merchandise Exports and Imports

In 1967, the reporting corporations had exports totalling \$4.6 billion, of which \$3½ billion was to the United States and \$1.1 billion to other foreign countries. Market shares in that year were: United States, 76 per cent, all other foreign countries, 24 per cent. The comparable amounts and proportions for 1964 were: United States, \$1.7 billion or 61 per cent of the total, and other countries, \$1.1 billion or 39 per cent of that year's total exports.

In 1967, the surveyed companies had imports of merchandise, including capital equipment, aggregating \$4.1 billion. Of this total \$3.3 billion or 81 per cent came from the United States and \$761 million or 19 per cent from all other foreign lands. In 1964, merchandise purchases in the United States totalled \$1.8 billion or 73 per cent of the total in that year, and purchases in other foreign countries amounted to \$659 million, or 27 per cent. The heavy reliance on United States suppliers for items of capital equipment is shown in both the 1964 and 1967 figures, with about 87 per cent of total procurements abroad of capital items coming from that country in both years. As mentioned earlier, both the export sales and the purchases abroad of the reporting corporations increased more between 1964 and 1967 than did total Canadian exports and total Canadian imports, with their sales abroad rising by 61 per cent compared with a gain of 38 per cent in all exports, and their purchases abroad by 67 per cent versus the 43 per cent gain achieved by all imported goods. (See Summary Tables 1 and 4).

**SUMMARY TABLE 12. Merchandise Trade Between Canada and the United States and Between Canada and All Other Foreign Countries, All Reporting Corporations, 1964 and 1967**

Item	With the United States		With all other foreign countries		With all foreign countries	
	1964	1967	1964	1967	1964	1967
<i>Amounts:</i>						
	<i>In millions of dollars</i>					
— Export sales . . . . .	1,746	3,509	1,104	1,090	2,850	4,599
Imports of merchandise . . . . .	1,686	3,097	646	731	2,332	3,828
Imports of capital equipment . . . . .	85	205	13	30	98	235
— Total merchandise imports . . . . .	1,771	3,302	659	761	2,430	4,063
— Balance on merchandise trade . . . . .	-25	+207	+445	+329	+420	+536
<i>Geographical distribution:</i>						
	<i>In percentages</i>					
— Export sales . . . . .	61	76	39	24	100	100
Imports of merchandise . . . . .	72	81	28	19	100	100
Imports of capital equipment . . . . .	87	87	13	13	100	100
— Total merchandise imports . . . . .	73	81	27	19	100	100
— Balance on merchandise trade . . . . .	n/a	39	n/a	61	n/a	100

The reporting corporations had substantial surpluses on merchandise trade in both 1964 and 1967, the excess of exports over imports amounting to \$420 million in 1964 and \$536 million in 1967. Surpluses are shown for the other two years in the 1964 to 1967 period also, the excess being \$82 million in 1965 and \$468 million in 1966 (See Table 3). A significant development over the 1964 to 1967 period was the turnabout shown in merchandise trade with the United States, from a deficit of \$25 million in 1964 to a surplus of \$207 million three years later.

As summary Table 12 above shows, the United States increased both its purchases from and sales to Canada over the period in relative terms; the reporting corporations selling 76 per cent of their foreign shipments in the United States in 1967 compared with 61 per cent in 1964, and

buying 81 per cent of their imported goods in the United States in 1967 compared with 73 per cent three years earlier.

Transactions with parents and affiliated companies abroad accounted for substantial proportions of both exports and imports in 1964 and in 1967. In both cases the proportions shown are larger in 1967 than in 1964. Thus, in 1967 the reporting corporations sold their foreign parents and affiliates goods valued at \$3.1 billion or 67 per cent of their total sales abroad, a substantial increase over the comparable 1964 figures of \$1.4 billion and 49 per cent. Merchandise purchased from parents and foreign affiliates amounted to \$2.9 billion or 70 per cent of all purchases made abroad in that year; the 1964 figures were \$1.6 billion and 67 per cent, respectively.

**SUMMARY TABLE 13. Merchandise Trade With Parents and Affiliates Abroad, and Total Foreign Merchandise Trade, All Reporting Corporations, 1964 and 1967**

Item	1964			1967		
	Parents and affiliates	Total foreign	Per cent with parents, and affiliates	Parents and affiliates	Total foreign	Per cent with parents, and affiliates
	\$ million	\$ million	%	\$ million	\$ million	%
Export sales . . . . .	1,400	2,850	49	3,074	4,599	67
Imports of merchandise <sup>(1)</sup> . . . . .	1,628	2,430	67	2,854	4,063	70
Balance on merchandise trade . .	-228	+420	n/a	+220	+536	41

<sup>(1)</sup>Includes capital equipment.

The reporting corporations' merchandise trade with parents and affiliates abroad resulted in a deficit of \$228 million in 1964 and in a healthy \$220 million surplus in 1967.

As Summary Table 14 shows, the major portion of the merchandise trade between subsidiary companies in Canada and parents and affiliates abroad, was between Canadian enterprises and their principals in the United States. In 1964, this trade accounted for 78 per cent of all export sales to foreign parents and for 72 per cent of all the purchases from foreign parents. These proportions were even higher in 1967, foreign parents in the United States being responsible for 90 per cent of all sales to principals abroad, and for 80 per cent of all purchases made from foreign parents. In both these years, commodity trade with parents and affiliates in foreign countries other than the United States, resulted in deficits, \$145 million in 1964 and \$261 million in 1967. The overall surplus of \$220 million shown in trade with affiliates in all countries in 1967, was

entirely due to the favourable balance of \$481 million achieved in inter-company trading with the United States. This was a reversal of the 1964 situation when Canada incurred an adverse balance of \$83 million in this inter-company trade with the United States. The very large gain in sales of motor vehicles and parts to parent companies in the United States between 1964 and 1967 was the major factor in the improvement shown in this respect.

The nature and extent of international trade varies significantly from industry to industry. Traditionally the resource industries have been highly export-oriented. As shown in summary Table 2a, in 1964 the pulp and paper industry relied on exports for 65 per cent of its sales, the mining and primary metals industry for 48 per cent and the wholesale trade for 56 per cent. The latter industry's exports are largely in the form of grain shipments, in which business it acts as a middleman. At the same time, as Summary Table 5a shows, much the largest proportion of these industries' purchases are in Canada, in 1964, 92 per



**SUMMARY TABLE 14. Merchandise Trade Between the Reporting Corporations and Parents and Affiliates in the United States and in All Foreign Countries, 1964 and 1967**

Item	With parents and affiliates in the United States		With parents and affiliates in all other foreign countries		With parents and affiliates in all foreign countries	
	1964	1967	1964	1967	1964	1967
<i>Amounts:</i>	<i>In millions of dollars</i>					
— Export sales . . . . .	1,090	2,775	310	299	1,400	3,074
Imports of merchandise . . . . .	1,140	2,197	453	539	1,593	2,736
Imports of capital equipment . . . . .	33	97	2	21	35	118
— Total merchandise imports . . . . .	1,173	2,294	455	560	1,628	2,854
— Balance on merchandise trade . . . . .	- 83	+481	- 145	- 261	- 228	+220
<i>Geographic distribution:</i>	<i>In percentages</i>					
— Export sales . . . . .	78	90	22	10	100	100
Imports of merchandise . . . . .	72	80	28	20	100	100
Imports of capital equipment . . . . .	94	82	6	18	100	100
— Total merchandise imports . . . . .	72	80	28	20	100	100
— Balance on merchandise trade . . . . .	36	n/a	64	n/a	100	n/a

cent in the case of pulp and paper and 74 per cent for both mining and primary metals and wholesale trade. The other resource industry for which results are tabulated, the gas and oil sector, had substantial export sales but these only amounted to 12 per cent of all sales. This industry relied to a larger extent on imports with 23 per cent of requirements being imported. In total the international trade of these resource-oriented industries resulted in a substantial surplus with the value of exports in 1964 exceeding imports by \$1,244 million. Data for 1967 suggest that if anything these resource industries are selling a little larger proportion of their output in the domestic market. Export sales by the pulp and paper industry in 1967 accounted for 59 per cent of all sales compared with 65 per cent in 1964 and more moderate declines in the proportion of exports occurred in the mining and wholesale trade sectors. Foreign sales by the gas and oil industry were the same in proportion to all sales in 1967 as in 1964. For these industries as a whole exports in 1967 accounted for 31 per cent of all sales compared with 34 per cent in 1964. By 1967, too, it appears that these resource industries were directing a slightly smaller share of their purchases to foreign suppliers, 20 per cent compared with 22 per cent in 1964. The overall result was an improvement in their favourable balance on merchandise trade with the value of exports exceeding imports by \$1,377 million.

The companies classed to other industrial groups are much more oriented to the domestic market for sales and to foreign suppliers for purchases. For these other industries, in total in 1964, exports accounted for nine per

cent of their total sales and imports for 31 per cent of all their purchases. For individual industries exports as a percentage of sales varied from one per cent in the service industries other than wholesale trade, to 14 per cent in the case of the transportation equipment industry. In 1964 these other industries had an unfavourable international balance on merchandise account of \$824 million.

By 1967 these non-resource based industries as a whole were engaging in international trade on a much more extensive scale. In that year exports accounted for 17 per cent of all sales and imports for 38 per cent of all purchases. This increased emphasis on international trade was largely the result of rising exports and imports of automotive products following the implementing of the automotive agreement. These transactions are reflected in the data on the transportation equipment industry where exports increased from 14 per cent of sales in 1964 to 38 per cent in 1967 and imports from 44 per cent of purchases to 62 per cent.

A similar tendency was not apparent in transactions by other non-resource industries with both the proportion of sales going to export and the proportion of purchases being made abroad, declining slightly over the period. Variations occurred in individual industry groups. Both the machinery and electrical products industry relied more on external trade for sales in 1967 than in 1964, but in chemicals and the food industry the tendency was to rely more on the domestic market and domestic suppliers.

**SUMMARY TABLE 15. Export Sales to the United States and to All Foreign Countries, and to Parents and Affiliates in the United States and in All Foreign Countries, All Reporting Corporations, by Industry, 1964 and 1967**

Industry	1964					
	Total export sales			Export sales to parents, etc.		
	To all foreign countries	To United States	Per cent to United States	In all foreign countries	In United States	Per cent in United States
	\$ million	\$ million	%	\$ million	\$ million	%
Mining and primary metals . . . . .	364	253	70	265	219	83
Gas and oil . . . . .	342	316	92	241	227	94
Machinery and metal fabricating . . . . .	99	52	53	86	50	58
Transportation equipment . . . . .	375	253	67	138	96	70
Electrical products . . . . .	90	34	38	42	21	50
Chemical products . . . . .	109	68	62	50	25	50
Food and beverage . . . . .	143	35	24	51	25	49
Pulp and paper . . . . .	749	619	83	358	324	91
Other manufacturing . . . . .	79	18	23	22	11	50
Wholesale trade . . . . .	485	87	18	132	81	61
Other non-manufacturing . . . . .	15	11	73	15	11	73
<b>Total . . . . .</b>	<b>2,850</b>	<b>1,746</b>	<b>61</b>	<b>1,400</b>	<b>1,090</b>	<b>78</b>

Industry	1967					
	Total export sales			Export sales to parents, etc.		
	To all foreign countries	To United States	Per cent to United States	In all foreign countries	In United States	Per cent in United States
	\$ million	\$ million	%	\$ million	\$ million	%
Mining and primary metals . . . . .	395	288	73	269	232	86
Gas and oil . . . . .	453	402	89	343	313	91
Machinery and metal fabricating . . . . .	175	119	68	157	114	73
Transportation equipment . . . . .	1,748	1,634	93	1,471	1,417	96
Electrical products . . . . .	161	98	61	72	59	82
Chemical products . . . . .	99	76	77	58	43	74
Food and beverage . . . . .	111	36	32	35	22	63
Pulp and paper . . . . .	803	683	85	452	425	94
Other manufacturing . . . . .	92	42	46	43	28	65
Wholesale trade . . . . .	548	118	22	164	113	69
Other non-manufacturing . . . . .	14	13	93	10	10	100
<b>Total . . . . .</b>	<b>4,599</b>	<b>3,509</b>	<b>76</b>	<b>3,074</b>	<b>2,775</b>	<b>90</b>

*Note: Totals may not add exactly, due to rounding.*

In total, the non-resource oriented industries had a slightly greater unfavourable balance on international merchandise account in 1967 than in 1964 with the deficit amounting to \$841 million compared with \$824 million in the earlier year.

In 1964, seven of the eleven industries listed depended upon the United States for more than one-half of all foreign sales and the addition of the electrical products group increased this number to eight in 1967. The degree of dependence of the various groups of industries on United



States markets ranged in 1964 from 92 per cent of total exports in the case of the gas and oil industry to 18 per cent for the wholesale trade classification, and the proportions of exports going to United States markets in 1967 varied from 93 per cent for the transportation equipment grouping to 22 per cent for the wholesale trade classification. As mentioned previously, the export business of the wholesale trade industry is weighted heavily by its grain sales to overseas customers and this accounts for its small sales in the United States. The increased reliance of the reporting corporations on the United States for their export sales is evident in the higher proportions of their external sales going to that market in 1967 than in 1964. In overall terms, 76 per cent of the export sales of the eleven industries went to the United States in 1967 compared with 61 per cent three years earlier. The extent of this growing dependency is evident in the fact that ten of the eleven industries listed marketed higher proportions of their total foreign sales in the United States in 1967 than in 1964. The single exception was the gas and oil industry but even in this case, the share of total exports absorbed by markets in the United States remained very high, i.e. 89 per cent in 1967 versus 92 per cent in 1964.

The increase in the relative importance of the United States market between 1964 and 1967 for the reporting corporations is also reflected in the rise in the share of principals in the United States in the exports of Canadian subsidiaries to parents and affiliates abroad. In 1964, 78 per cent of sales of the Canadian enterprises to principals abroad went to those in the United States, and this

proportion had risen to 90 per cent in 1967. While the increase in sales of transportation equipment of subsidiaries in Canada to principals abroad, due mainly to shipments of automotive goods from Canadian plants to parents in the United States under the auto pact, accounted for about four-fifths of the \$1.7 billion rise in exports to foreign parents over the 1964 to 1967 period, eight of the other ten industry groups showed larger sales to parents abroad in 1967 than in 1964. The two exceptions were the food and beverage and the other non-manufacturing groupings which showed relatively small declines in dollar terms in exports to foreign parents. This pattern was set by the inter-company dealings of subsidiaries in Canada with their parents in the United States, with such exports rising from \$1.1 billion in 1964 to about \$2.8 billion in 1967 and with the transportation equipment industry accounting for most of the overall gain.

On the purchasing side, the reporting corporations bought goods abroad to the value of \$4.1 billion in 1967, 67 per cent more than the 1964 total of \$2.4 billion. Purchases made in the United States increased from about \$1.8 billion to \$3.3 billion over the period, a gain of 86 per cent. Both these increases were considerably higher than the rise of 42 per cent shown in purchases of the reporting corporations from all sources, over the 1964 to 1967 period.

The sharper rise shown in purchases in the United States boosted the proportion of imports from that country from 73 per cent of the 1964 total to 81 per cent of that of

**SUMMARY TABLE 16. Imports<sup>(1)</sup> from the United States and from All Foreign Countries, and from Parents and Affiliates in the United States and in All Foreign Countries, All Reporting Corporations, by Industry, 1964 and 1967**

Industry	1964					
	Total imports of goods <sup>(1)</sup>			Imports from parents <sup>(1)</sup> etc.		
	From all foreign countries	From United States	Per cent from United States	In all foreign countries	In United States	Per cent in United States
	\$ million	\$ million	%	\$ million	\$ million	%
Mining and primary metals . . . . .	78	67	86	58	49	84
Gas and oil . . . . .	380	92	24	341	78	23
Machinery and metal fabricating . . . . .	245	218	89	195	175	90
Transportation equipment . . . . .	715	662	93	462	424	92
Electrical products . . . . .	153	123	80	106	81	76
Chemical products . . . . .	189	170	90	108	98	91
Food and beverage . . . . .	222	116	52	70	57	81
Pulp and paper . . . . .	36	30	83	12	7	58
Other manufacturing . . . . .	166	143	86	105	97	92
Wholesale trade . . . . .	202	117	58	158	94	59
Other non-manufacturing . . . . .	44	33	75	13	13	100
<b>Total . . . . .</b>	<b>2,430</b>	<b>1,771</b>	<b>73</b>	<b>1,628</b>	<b>1,173</b>	<b>72</b>

SUMMARY TABLE 16. (Continued)

Industry	1967					
	Total imports of goods <sup>(1)</sup>			Imports from parents <sup>(1)</sup> etc.		
	From all foreign countries	From United States	Per cent from United States	In all foreign countries	In United States	Per cent in United States
	\$ million	\$ million	%	\$ million	\$ million	%
Mining and primary metals . . . . .	94	84	89	61	55	90
Gas and oil . . . . .	469	130	28	407	93	23
Machinery and metal fabricating . . . . .	379	315	83	314	258	82
Transportation equipment . . . . .	1,966	1,902	97	1,397	1,348	96
Electrical products . . . . .	221	187	85	155	126	81
Chemical products . . . . .	209	177	85	124	109	88
Food and beverage . . . . .	201	126	63	70	55	79
Pulp and paper . . . . .	39	32	82	15	9	60
Other manufacturing . . . . .	207	172	83	129	112	87
Wholesale trade . . . . .	220	139	63	165	113	68
Other non-manufacturing . . . . .	58	38	66	17	17	100
<b>Total . . . . .</b>	<b>4,063</b>	<b>3,302</b>	<b>81</b>	<b>2,854</b>	<b>2,294</b>	<b>80</b>

(1) Includes capital equipment as well as merchandise.

*Note: Totals may not add exactly, due to rounding.*

1967. These proportions ranged from 24 per cent and 28 per cent for the gas and oil industry in 1964 and 1967 respectively, to 93 per cent and 97 per cent, respectively, for the transportation equipment industry. As Summary Table 16 shows, only the gas and oil industry depended upon foreign suppliers other than the United States for more than one-half of its foreign purchases. This heavy reliance upon the United States as a source of supply is reflected in the high level of inter-company purchases between subsidiary companies in Canada and principals in the United States, as discussed below.

As in the case of export sales, it was the transportation equipment industry, reflecting the operation of the Canada-United States automotive pact, that was largely responsible for the changes shown over the 1964 to 1967 period in the value, geographic origin, and type of imported goods. It was the large increase in the purchases of automotive goods abroad, mainly in the United States, that affected the proportions of imports obtained from parents and affiliates abroad, and again, the percentage procured in the United States. Imports of the transportation equipment industry rose from \$715 million in 1964 to almost \$2 billion in 1967, with purchases of this industry in the United States increasing from \$662 million to \$1,902 million over the period. Purchases of subsidiary companies in the transportation equipment business in Canada from

their principals in the United States grew from \$424 million in 1964 to \$1,348 million three years later. Thus, the increased purchases abroad by the transportation equipment industry accounted for \$1¼ billion of the \$1.6 billion rise in total imports of the reporting corporations between 1964 and 1967, for \$1,240 million of the \$1½ billion increase in total imports from the United States shown over the period, and for \$935 million of the \$1,226 million gain indicated in the total purchases of Canadian subsidiaries from parent and affiliated companies abroad. In other words, the transportation equipment industry accounted for over three-quarters of the increases shown over the 1964 to 1967 period in (i) the total purchases made abroad by all reporting corporations, (ii) their total purchases in the United States, and (iii) their total purchases from parents and affiliated companies abroad.

Over the 1964 to 1967 period, nine branches of industry, in addition to the transportation equipment, increased their purchases from foreign parents and affiliates but the increases were much more modest than the \$935 million gain shown for the transportation equipment class. These increases ranged from \$3 million for the mining and pulp and paper industries to \$119 million for the machinery and metal fabricating industry. The remaining industry, the food and beverage grouping, had the same level of imports from parents abroad in 1967 as in 1964. Purchases



of subsidiaries in Canada from parents and affiliates in the United States over the 1964 to 1967 period show a very similar pattern. Nine industry classes besides the transportation equipment branch, show larger purchases from parents, in 1967 than in 1964, the increases ranging from \$2 million for the pulp and paper industry to \$83 million for the machinery and metal fabricating group, and one, the food and beverage branch, shows a decline of \$2 million between its 1964 and 1967 imports from parents in the United States.

### Non-Merchandise Transactions

The reporting corporations had receipts from abroad in addition to earnings from export sales and they incurred expenses outside of Canada besides those for purchases of

merchandise. These are termed non-merchandise transactions.

As Summary Table 3 and Appendix IX show, the foreign income of the reporting corporations other than from export sales was relatively small in both 1964 and 1967, i.e. \$49 million and \$65 million, respectively. In 1964, \$11 million was earned in the United States and \$38 million in other foreign countries, and the division in 1967 was, United States, \$21 million, other foreign lands, \$44 million. Receipts of dividends amounted to \$30 million in 1964, of which only \$1 million was from the United States, and to \$32 million in 1967, with only \$1 million from the United States. Interest receipts amounted to \$5 million in 1964, of which \$3 million was from the United States, and to \$7 million in 1967, with \$3 million from the United

**SUMMARY TABLE 17. Geographic Distribution of Other Payments Abroad, by Major Item, All Reporting Corporations, 1964 and 1967**

Item of payment abroad	1964			1967		
	United States	Other foreign countries	All foreign countries	United States	Other foreign countries	All foreign countries
<i>Amounts:</i>						
	<i>In millions of dollars</i>					
Interest .....	47	3	50	84	10	94
Royalties .....	36	3	39	54	5	59
Management, administrative and directors' fees ...	23	1	24	27	1	28
Rent on property and equipment .....	8	1	9	8	2	10
Scientific research and development .....	9	1	10	13	1	14
All other expenses .....	92	24	116	178	20	198
Total non-merchandise payments, excluding dividends .....	215	33	248	364	39	403
Dividends .....	307	42	349	272	47	319
Total non-merchandise payments, including dividends .....	522	75	597	636	86	722
<i>Proportions:</i>						
	<i>In percentages</i>					
Interest .....	94	6	100	89	11	100
Royalties .....	92	8	100	92	8	100
Management, administrative and directors' fees ...	96	4	100	96	4	100
Rent on property and equipment .....	89	11	100	80	20	100
Scientific research and development .....	90	10	100	93	7	100
All other expenses .....	79	21	100	90	10	100
Total non-merchandise payments, excluding dividends .....	87	13	100	90	10	100
Dividends .....	88	12	100	85	15	100
Total non-merchandise payments, including dividends .....	87	13	100	88	12	100

**SUMMARY TABLE 17a. Other Payments to Parents and Affiliates in the United States and in All Other Foreign Countries, by Major Item, All Reporting Corporations, 1964 and 1967**

Item of payment to parents and affiliates abroad	1964			1967		
	In the United States	In other foreign countries	In all foreign countries	In the United States	In other foreign countries	In all foreign countries
<i>Amounts:</i>	<i>In millions of dollars</i>					
Interest .....	22	3	25	52	9	61
Royalties .....	27	1	28	43	3	46
Management, administrative and directors' fees ...	23	1	24	27	1	28
Rent on property and equipment .....	2	1	3	2	—	2
Scientific research and development .....	7	1	8	10	1	11
All other expenses .....	50	19	69	132	16	148
Total non-merchandise payments excluding dividends .....	131	25	156	266	30	296
Dividends .....	300	35	335	265	44	309
Total non-merchandise payments, including dividends .....	431	60	491	531	74	605
<i>Proportions:</i>	<i>In percentages</i>					
Interest .....	88	12	100	85	15	100
Royalties .....	96	4	100	93	7	100
Management, administrative and directors' fees ...	96	4	100	96	4	100
Rent on property and equipment .....	67	33	100	100	—	100
Scientific research and development .....	88	12	100	91	9	100
All other expenses .....	72	28	100	89	11	100
Total non-merchandise payments, excluding dividends .....	84	16	100	90	10	100
Dividends .....	90	10	100	86	14	100
Total non-merchandise payments, including dividends .....	88	12	100	88	12	100

*Note: Totals may not add exactly, due to rounding.*

States. Receipts from abroad for scientific research and development work brought in \$3 million in 1964 and \$4 million three years later, mainly from the United States. Miscellaneous foreign income was \$10 million in 1964, of which \$5 million came from the United States, and \$20 million in 1967, with \$14 million originating in the United States.

Payments made abroad on non-merchandise account are shown in Summary Tables 17 and 17a. These were much more substantial than receipts; totalling \$597 million in 1964 and \$722 million in 1967. Dividends going to foreign shareholders accounted for a large part of these

totals, amounting to \$349 million in 1964 and to \$319 million three years later. Of these totals, 88 per cent went to shareholders in the United States in 1964 and 85 per cent in 1967. Major items in non-merchandise payments abroad, in addition to dividends, were interest payments, royalties, fees for management and similar services, charges for scientific research and development work, and rent (See Summary Table 6). In 1964, the total of these other payments abroad excluding dividends was \$248 million; of this amount, interest accounted for \$50 million, royalties for \$39 million, fees for management services, etc. \$24 million, expenditures on research \$10 million, rent \$9 million, all other purposes \$116 million. As Summary Table

17 above shows, residents of the United States received the bulk of these payments, i.e. \$47 million of the \$50 million interest total, \$36 million of the \$39 million total royalty payments etc.

The 1967 total of other expenses abroad excluding dividends was \$403 million, of which \$94 million was interest, \$59 million royalties, \$28 million management fees, \$14 million research, \$10 million rent, and \$198 million, all other. As in 1964, most of these payments were made to residents of the United States, e.g., \$84 million of the \$94 million in interest payments, \$54 million of the \$59 million expended abroad for research.

Transactions between subsidiary companies in Canada and parent and affiliated companies abroad were responsible for some 83 per cent of the total non-merchandise expenses of the reporting corporations incurred abroad in 1964 and 1967. As Summary Table 17a shows, \$491 million of the \$597 million total, and \$605 million of the 1967 total of \$722 million incurred as non-merchandise expenses abroad, represented payments by Canadian subsidiaries to principals and affiliates abroad. Dividends paid to foreign parents and affiliates accounted for \$335 million of the 1964 \$491 million total, and for \$309 million of the 1967 total of \$605 million. The bulk of these payments

went to the United States shareholders, i.e. 90 per cent in 1964 and 86 per cent three years later. The same is true for the other items making up the non-merchandise total spending abroad, with 84 per cent of the 1964 total of \$156 million and 90 per cent of the \$296 million 1967 total, going to residents of the United States.

As a result of the much larger foreign payments than receipts on non-merchandise account these transactions resulted in a significant net outflow of funds from Canada in each of the four years. The adverse balance on this account rose from \$548 million in 1964 to \$657 million in 1967.

The surpluses earned in merchandise trade with all countries, \$420 million in 1964 and \$536 million in 1967, were not sufficient to offset the adverse balances incurred in non-merchandise trade in these years, and as a result, the overall current international transactions of the reporting corporations show an unfavourable balance of \$128 million in 1964 and one of \$121 million in 1967. The exchange of goods and services with the United States resulted in deficits on current account of \$536 million in 1964 and of \$408 million three years later, more than enough to outweigh the surplus of \$408 million and \$287 million earned in transactions with all other foreign countries.

SUMMARY TABLE 18. Current International Transactions, by Geographic Area, All Reporting Corporations, 1964 and 1967  
In millions of dollars

Item	With the United States		With all other foreign countries		With all foreign countries	
	1964	1967	1964	1967	1964	1967
Export sales . . . . .	1,746	3,509	1,104	1,090	2,850	4,599
Merchandise imports . . . . .	1,686	3,097	646	731	2,332	3,828
Capital equipment imports . . . . .	85	205	13	30	98	235
Total imports of goods . . . . .	1,771	3,302	659	761	2,430	4,063
Balance on merchandise trade . . . . .	-25	+207	+445	+329	+420	+536
Other current receipts . . . . .	11	21	38	44	49	65
Dividends paid . . . . .	307	272	42	47	349	319
Other current payments . . . . .	215	364	33	39	248	403
Total non-merchandise payments . . . . .	522	636	75	86	597	722
Balance on non-merchandise trade . . . . .	-511	-615	-37	-42	-548	-657
Total receipts . . . . .	1,757	3,530	1,142	1,134	2,899	4,664
Total payments . . . . .	2,293	3,938	734	847	3,027	4,785
Current account balance . . . . .	-536	-408	+408	+287	-128	-121



## Balance of Payments Implications

The data provided by the reporting corporations are not adequate to permit precise assessment of the effects of their foreign transactions on Canada's international balance of payments. Some of their limitations in this respect have been mentioned already. These are that the export sales figures shown cover only those exports made directly by the responding subsidiaries and do not include goods sold by them to customers in Canada and subsequently exported by the latter and that export figures include grains exported by foreign-owned subsidiaries in Canada who act only as

intermediaries between Canadian grain growers and foreign buyers, while purchases abroad totals may cover customs duties and costs of transport within Canada as well as the amounts actually paid the foreign suppliers, and that imported goods brought from suppliers in Canada are shown as purchases in Canada. It should be noted also that the dividends shown as paid to shareholders in foreign countries are gross, and thus include the withholding taxes paid to the Canadian Government when remittance actually takes place.

TABLE 3.—Summary of Current International Transactions, All Reporting Corporations, Annually, 1964 to 1967  
In millions of dollars

Item	United States			Other foreign countries				All foreign countries				
	1964	1965	1966	1967	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	1,746	1,960	2,786	3,509	1,104	1,114	1,163	1,090	2,850	3,074	3,949	4,599
Merchandise imports . . . . .	1,686	2,160	2,600	3,097	646	670	682	731	2,332	2,830	3,282	3,828
Capital equipment imported . . .	85	151	177	205	13	11	22	30	98	162	199	235
Total import trade . . . . .	1,771	2,311	2,777	3,302	659	681	704	761	2,430	2,992	3,481	4,063
Balance on international merchandise trade . . . . .	-25	-351	+ 9	+ 207	+ 445	+ 433	+ 459	+ 329	+ 420	+ 82	+ 468	+ 536
Other current receipts from abroad	11	18	14	21	38	34	45	44	49	52	59	65
Dividends paid abroad . . . . .	307	336	367	272	42	45	46	47	349	381	413	319
Other current payments abroad .	215	249	279	364	33	29	34	39	248	278	313	403
Total current payments abroad .	522	585	646	636	75	74	80	86	597	659	726	722
Balance on current international non-merchandise transactions . . . . .	-511	-567	-632	-615	-37	-40	-35	-42	-548	-607	-667	-657
Total current receipts from abroad	1,757	1,978	2,800	3,530	1,142	1,148	1,208	1,134	2,899	3,126	4,008	4,664
Total current payments abroad .	2,293	2,896	3,423	3,938	734	755	784	847	3,027	3,651	4,207	4,785
Current account balance . . . . .	-536	-918	-623	-408	+ 408	+393	+ 424	+ 287	-128	-525	-199	-121

Note: Totals may not add exactly, due to rounding.

TABLE 4. — Summary of Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries, All Reporting Corporations, Annually, 1964 to 1967

Item	In millions of dollars											
	United States			Other foreign countries			All foreign countries					
	1964	1965	1966	1967	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	1,090	1,257	2,074	2,775	310	301	286	299	1,400	1,558	2,360	3,074
Merchandise imports . . . . .	1,140	1,507	1,860	2,197	453	484	468	539	1,593	1,991	2,328	2,736
Capital equipment imported . . . .	33	39	78	97	2	5	16	21	35	44	94	118
Total import trade . . . . .	1,173	1,546	1,938	2,294	455	489	484	560	1,628	2,035	2,422	2,854
Balance on international merchandise trade . . . . .	-83	-289	+136	+481	-145	-188	-198	-261	-228	-477	-62	+220
Other current receipts from abroad	7	12	8	17	33	30	36	35	40	42	44	52
Dividends paid abroad . . . . .	300	329	359	265	35	37	39	44	335	366	398	309
Other current payments abroad . .	131	150	182	266	25	21	21	30	156	171	203	296
Total current payments abroad . .	431	479	541	531	60	58	60	74	491	537	601	605
Balance on current international non-merchandise transactions . . . . .	-424	-467	-533	-514	-27	-28	-24	-39	-451	-495	-557	-553
Total current receipts from abroad.	1,097	1,269	2,082	2,792	343	331	322	334	1,440	1,600	2,404	3,126
Total current payments abroad . .	1,604	2,025	2,479	2,825	515	547	544	634	2,119	2,572	3,023	3,459
Current account balance . . . . .	-507	-756	-397	-33	-172	-216	-222	-300	-679	-972	-619	-333

Note: Totals may not add exactly, due to rounding.



TABLE 5. — Summary of Current International Transactions With Other Than Parents and Affiliates in the United States and in Other Foreign Countries, All Reporting Corporations, Annually, 1964 to 1967

In million of dollars

Item	United States			Other foreign countries			All foreign countries		
	1964	1965	1966	1967	1964	1965	1966	1967	1967
Export sales .....	656	703	712	734	794	813	877	791	1,525
Merchandise imports .....	546	653	740	900	193	186	214	192	1,092
Capital equipment imported ..	52	112	99	108	11	6	6	9	117
Total import trade .....	598	765	839	1,008	204	192	220	201	1,209
Balance on international merchandise trade .....	+58	-62	-127	-274	+590	+621	+657	+590	+316
Other current receipts from abroad .....	4	6	6	4	5	4	9	9	13
Dividends paid abroad .....	7	7	8	7	7	8	7	3	10
Other current payments abroad .....	84	99	97	98	8	8	13	9	107
Total current payments abroad .....	91	106	105	105	15	16	20	12	117
Balance on current international non-merchandise transactions. ....	-87	-100	-99	-101	-10	-12	-11	-3	-104
Total current receipts from abroad .....	660	709	718	738	799	817	886	800	1,538
Total current payments abroad .....	689	871	944	1,113	219	208	240	213	1,326
Current account balance .....	-29	-162	-226	-375	+580	+609	+646	+587	+212

Note: Totals may not add exactly, due to rounding.

TABLE 6. Total Sales and Total Exports, Export Sales to Parents and Affiliates, and Exports to the United States and to Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

Year and industry	Total sales \$ mill.	Total exports \$ mill.	Total exports as percentage of total sales %	Exports to parents and affiliates		Exports to United States		Exports to foreign countries other than the United States			
				Total \$ mill.	As percentage of total exports %	Total \$ mill.	As percentage of total exports %	Total \$ mill.	As percentage of total exports %		
1964											
Mining and primary metals . . . . .	760	364	48	265	73	253	70	111	30		
Gas and oil . . . . .	2,946	342	12	241	70	316	92	26	8		
Machinery and metal fabricating. . . . .	1,111	99	9	86	87	52	53	47	47		
Transportation equipment. . . . .	2,615	375	14	138	37	253	67	122	33		
Electrical products. . . . .	962	90	9	42	47	34	38	56	62		
Chemical products. . . . .	1,120	109	10	50	46	68	62	41	38		
Food and beverage . . . . .	1,470	143	10	51	36	35	24	108	76		
Pulp and paper . . . . .	1,158	749	65	358	48	619	83	130	17		
Other manufacturing . . . . .	980	79	8	22	28	18	23	61	77		
Wholesale trade. . . . .	868	485	56	132	27	87	18	398	82		
Other non-manufacturing . . . . .	1,352	15	1	15	100	11	73	4	27		
Total . . . . .	15,342	2,850	19	1,400	49	1,746	61	1,104	39		
1965											
Mining and primary metals . . . . .	805	367	46	253	69	244	66	123	34		
Gas and oil . . . . .	3,178	351	11	239	68	322	92	29	8		
Machinery and metal fabricating. . . . .	1,229	97	8	87	90	61	63	36	37		
Transportation equipment. . . . .	3,303	501	15	275	55	390	78	111	22		
Electrical products . . . . .	1,079	101	9	55	54	45	45	56	55		
Chemical products. . . . .	1,217	101	8	42	42	64	63	37	37		
Food and beverage . . . . .	1,500	134	9	48	36	32	24	102	76		
Pulp and paper . . . . .	1,249	792	63	374	47	664	84	128	16		
Other manufacturing . . . . .	1,080	85	8	33	39	28	33	57	67		
Wholesale trade. . . . .	957	530	55	138	26	97	18	433	82		
Other non-manufacturing . . . . .	1,534	15	1	14	93	13	87	2	13		
Total . . . . .	17,131	3,074	18	1,558	51	1,960	64	1,114	36		

Note: Total dollar figures may not add exactly, due to rounding.

TABLE 6. — Total Sales and Total Exports, Export Sales to Parents and Affiliates, and Exports to the United States and to Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967 — Continued

Year and industry	Total sales \$ mill.	Total exports \$ mill.	Total exports as percentage of total sales %	Exports to parents and affiliates		Exports to United States		Exports to foreign countries other than the United States	
				Total \$ mill.	As percentage of total exports %	Total \$ mill.	As percentage of total exports %	Total \$ mill.	As percentage of total exports %
1966									
Mining and primary metals . . . . .	873	389	45	268	69	263	68	126	32
Gas and oil . . . . .	3,412	400	12	273	68	371	93	29	7
Machinery and metal fabricating. . .	1,406	142	10	130	92	93	65	49	35
Transportation equipment . . . . .	3,863	1,061	27	876	83	963	91	98	9
Electrical products . . . . .	1,248	123	10	61	50	77	63	46	37
Chemical products. . . . .	1,337	125	9	63	50	98	78	27	22
Food and beverage . . . . .	1,661	139	8	38	27	43	31	96	69
Pulp and paper . . . . .	1,348	833	62	439	53	706	85	127	15
Other manufacturing . . . . .	1,177	90	8	36	40	36	40	54	60
Wholesale trade. . . . .	1,082	637	59	166	26	127	20	510	80
Other non-manufacturing . . . . .	1,853	10	1	10	100(1)	9	90	1	10
Total . . . . .	19,260	3,949	21	2,360	60	2,786	71	1,163	29
1967									
Mining and primary metals . . . . .	859	395	46	269	68	288	73	107	27
Gas and oil . . . . .	3,768	453	12	343	76	402	89	51	11
Machinery and metal fabricating. . .	1,479	175	12	157	90	119	68	56	32
Transportation equipment. . . . .	4,643	1,748	38	1,471	84	1,634	93	114	7
Electrical products. . . . .	1,314	161	12	72	45	98	61	63	39
Chemical products. . . . .	1,377	99	7	58	59	76	77	23	23
Food and beverage . . . . .	1,683	111	7	35	32	36	32	75	68
Pulp and paper . . . . .	1,351	803	59	452	56	683	85	120	15
Other manufacturing . . . . .	1,255	92	7	43	47	42	46	50	54
Wholesale trade. . . . .	1,004	548	55	164	30	118	22	430	78
Other non-manufacturing . . . . .	2,009	14	1	10	71	13	93	1	7
Total . . . . .	20,742	4,599	22	3,074	67	3,509	76	1,090	24

(<sup>1</sup>) Exports to other than parents and affiliates amounted to less than one-half of one per cent of total foreign sales.

Note: Total dollar figures may not add exactly, due to rounding.



TABLE 7. — Total Purchases and Total Imports, Imports from Parents and Affiliates, and Imports from the United States and from Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

Year and industry	Total purchases		Total imports as percentage of total purchases %	Imports from parents and affiliates		Imports from United States		Imports from foreign countries other than United States	
	\$ mill.	Total imports \$ mill.		Total \$ mill.	As percentage of total imports %	Total \$ mill.	As percentage of total imports %	Total \$ mill.	As percentage of total imports %
1964									
Mining and primary metals . . . . .	300	78	26	58	74	67	86	11	14
Gas and oil. . . . .	1,649	380	23	341	90	92	24	288	76
Machinery and metal fabricating. . .	631	245	39	195	80	218	89	27	11
Transportation equipment. . . . .	1,629	715	44	462	65	662	93	53	7
Electrical products. . . . .	514	153	30	106	69	123	80	30	20
Chemical products. . . . .	575	189	33	108	57	170	90	19	10
Food and beverage . . . . .	921	222	24	70	32	116	52	106	48
Pulp and paper . . . . .	473	36	8	12	33	30	83	6	17
Other manufacturing . . . . .	519	166	32	105	63	143	86	23	14
Wholesale trade. . . . .	787	202	26	158	78	117	58	85	42
Other non-manufacturing . . . . .	874	44	5	13	30	33	75	11	25
Total . . . . .	8,872	2,430	27	1,628	67	1,771	73	659	27
1965									
Mining and primary metals . . . . .	351	88	25	71	81	76	86	12	14
Gas and oil. . . . .	1,810	411	23	363	88	100	24	311	76
Machinery and metal fabricating. . .	715	285	40	225	79	256	90	29	10
Transportation equipment. . . . .	2,081	1,082	52	732	68	1,033	95	49	5
Electrical products. . . . .	582	176	30	128	73	145	82	31	18
Chemical products. . . . .	680	213	31	117	55	191	90	22	10
Food and beverage. . . . .	925	201	22	69	34	123	61	78	39
Pulp and paper . . . . .	534	40	7	13	32	32	80	8	20
Other manufacturing . . . . .	588	197	34	120	61	171	87	26	13
Wholesale trade. . . . .	877	237	27	183	77	144	61	93	39
Other non-manufacturing . . . . .	1,021	62	6	14	23	40	65	22	35
Total . . . . .	10,164	2,992	29	2,035	68	2,311	77	681	23

Note: Total dollar figures may not add exactly, due to rounding.

TABLE 7. — Total Purchases and Total Imports, Imports from Parents and Affiliates, and Imports from the United States and from Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967 — Continued

Year and industry	Total purchases \$ mill.	Total imports \$ mill.	Total imports as percentage of total purchases %	Imports from parents and affiliates		Imports from United States		Imports from foreign countries other than United States	
				Total \$ mill.	As percentage of total imports %	Total \$ mill.	As percentage of total imports %	Total \$ mill.	As percentage of total imports %
1966									
Mining and primary metals . . . . .	407	88	22	70	80	75	85	13	15
Gas and oil . . . . .	2,020	429	21	369	86	121	28	308	72
Machinery and metal fabricating. . .	853	372	44	292	78	322	87	50	13
Transportation equipment. . . . .	2,652	1,446	55	1,031	71	1,386	96	60	4
Electrical products. . . . .	694	214	31	152	71	189	88	25	12
Chemical products. . . . .	728	203	28	114	56	178	88	25	12
Food and beverage. . . . .	1,045	204	20	69	34	124	61	80	39
Pulp and paper . . . . .	623	41	7	15	37	30	73	11	27
Other manufacturing . . . . .	620	183	30	119	65	156	85	27	15
Wholesale trade . . . . .	978	229	23	173	76	152	66	77	34
Other non-manufacturing . . . . .	1,242	72	6	18	25	44	61	28	39
Total . . . . .	11,862	3,481	29	2,422	70	2,777	80	704	20
1967									
Mining and primary metals . . . . .	378	94	25	61	65	84	89	10	11
Gas and oil . . . . .	2,253	469	21	407	87	130	28	339	72
Machinery and metal fabricating. . .	843	379	45	314	83	315	83	64	17
Transportation equipment. . . . .	3,184	1,966	62	1,397	71	1,902	97	64	3
Electrical products. . . . .	750	221	29	155	70	187	85	34	15
Chemical products. . . . .	747	209	28	124	59	177	85	32	15
Food and beverage. . . . .	1,044	201	19	70	35	126	63	75	37
Pulp and paper . . . . .	615	39	6	15	38	32	82	7	18
Other manufacturing . . . . .	659	207	31	129	62	172	83	35	17
Wholesale trade. . . . .	847	220	26	165	75	139	63	81	37
Other non-manufacturing . . . . .	1,317	58	4	17	29	38	66	20	34
Total . . . . .	12,637	4,063	32	2,854	70	3,302	81	761	19

Note: Total dollar figures may not add exactly, due to rounding.

## SECTION 3. — FINANCING

### Sources of Funds

In general, funds required by business for purposes such as plant and equipment expansion, inventory accumulation and extension of credit are derived from three sources. A major source is the internal generation within the company through earnings retained in the business after dividend and income tax payments and through depreciation allowances and other similar provisions. The second principal source is external financing from outside the company either through borrowings or by sale of equity. The third source of funds is through the liquidation of assets, principally financial claims in the form of bonds and stocks. The latter source of funds does not

appear to be important in Canada for the reporting subsidiary corporations.

During 1967 total new financing including retained earnings, by the reporting companies amounted to \$1,087 million, about \$100 million less than in either 1966 or 1965. In addition, depreciation allowances and other provisions amounted to \$894 million in 1967 bringing that year's total available funds to almost \$2 billion. Of this amount, \$1.4 billion was generated within the reporting corporations through retained earnings and depreciation allowances, and the remaining \$581 million was raised from external sources.

SUMMARY TABLE 19. Financing, by Major Sources, All Reporting Corporations, Annually, 1965 to 1967  
In millions of dollars

Item	1965	1966	1967
Current retained earnings . . . . .	420	451	506
Net funds from borrowing and sale of equity . . . . .	780	734	581
Total new financing . . . . .	1,200	1,185	1,087
Depreciation and similar reserves . . . . .	828	831	894
Total funds available . . . . .	2,028	2,016	1,981
Net external funds . . . . .	-780	-734	-581
Funds generated internally by reporting companies . . . . .	1,248	1,282	1,400

In 1965, the major suppliers of external funds to the reporting subsidiaries were their parents and affiliates, these accounted for \$456 million or 58 per cent of that year's total. This source was less important in both 1966 and 1967, the amounts supplied by parent and affiliated companies declining successively to \$343 million or 47 per cent of the 1966 total and to \$211 million or 36 per cent of the 1967 total of \$581 million. In both 1965 and 1966, more than seven-tenths of these funds were in the form of increased indebtedness, through loans, advances and other credits extended the subsidiaries by parent and affiliated companies, and less than 30 per cent in the form of increased holdings of equities of the subsidiaries. The situation in 1967 was quite different, with the investment of parent and affiliated companies in the equities of subsidiaries accounting for 56 per cent of the total flow from principals and affiliates, and with increased indebtedness through loans, advances and other credits comprising only 44 per cent of the year's total. The funds obtained from sources other than parents and affiliates in 1967 were made up of; bank loans \$230 million, long-term borrowing \$118 million, and sales of equity to other than parents and affiliates, \$39 million. This total of \$387 million was reduced to \$370

million by a \$17 million decrease in short-term indebtedness.

In 1965, funds from the United States accounted for a major part of the external financing of the reporting corporations. Liabilities owing and paid-in capital held in that country increased by \$557 million, representing 71 per cent of the \$780 million total from all sources. Canadian sources supplied almost all the remainder, \$220 million of the \$223 million balance. In 1967, the situation was quite different. In that year, Canadian sources provided \$374 million, or 64 per cent, of the \$581 million total, sources in the United States accounted for \$197 million or 34 per cent of the total, and third countries supplied the other \$10 million or two per cent.

This switch that occurred in 1967 from the United States to Canada as a major source of external funds is probably due to a number of factors including the lesser overall requirements for external funds, the desirability of financing short term rather than long term and the relative cost and availability of funds in the two countries. In addition, the United States foreign direct investment



**SUMMARY TABLE 20. Geographic Origins and Sources of Net External Funds, All Reporting Corporations, 1965 to 1967**

Origin and source	1965	1966	1967
<i>From the United States:</i>			
	<i>In millions of dollars</i>		
— From parents and affiliates:			
Loans, advances and other credits . . . . .	314	276	108
Investment in equity . . . . .	96	66	92
Sub-total . . . . .	410	342	200
— From other sources:			
Loans, advances and other credits . . . . .	150	107	-6
Investment in equity . . . . .	-3	—	3
Sub-total . . . . .	147	107	-3
— Total funds from the United States . . . . .	557	449	197
<i>From other foreign countries:</i>			
— From parents and affiliates:			
Loans, advances and other credits . . . . .	-2	-19	-14
Investment in equity . . . . .	8	31	21
Sub-total . . . . .	6	12	7
— From other sources:			
Loans, advances and credits . . . . .	-2	11	7
Investment in equity . . . . .	-1	-6	-4
Sub-total . . . . .	-3	5	3
— Total funds from other foreign countries . . . . .	3	17	10
<i>From Canada:</i>			
— From parents and affiliates:			
Loans, advances and other credits . . . . .	40	-10	-2
Investment in equity . . . . .	—	-1	6
Sub-total . . . . .	40	-11	4
— From other sources:			
Loans, advances and other credits . . . . .	142	274	330
Investment in equity . . . . .	38	5	40
Sub-total . . . . .	180	279	370
— Total funds from Canada . . . . .	220	268	374
— Total funds from all sources and countries . . . . .	780	734	581
<i>Percentage distribution:</i>			
	<i>Percentage distribution of total funds by geographic origin</i>		
Total funds from:			
United States . . . . .	71	61	34
Other foreign countries . . . . .	—	2	2
Canada . . . . .	28	37	64
Funds from parents and affiliates in all countries . . . . .	58	47	36

*Note: Dollar figures represent changes from the previous year.*

guidelines which were designed to restrict the outflow of funds from the United States for direct investment may have been another factor. While these guidelines were specifically not intended to affect normal financial transactions with Canada they may have influenced companies to rely on Canadian sources of funds where this was possible.

In 1965, most of the financing done in the United States was through transactions with parents and affiliated companies in that country. In that year, these affiliates supplied \$410 million or 74 per cent, of the \$557 million financed from sources in the United States. Loans, advances and credits granted Canadian subsidiaries by their parents or affiliates in the United States accounted for \$314 million

of the total, and increased holdings of equity in the subsidiaries made up the remaining \$96 million. The other major form of financing in the United States was from bond sales and other long-term forms of financing; this amounted to \$100 million. In addition, there was an increase of \$51 million in outstanding loans from banks in that country, and a \$3 million fall in investment in equities by other than parents and affiliates.

In 1967, the larger users of external funds drew largely upon Canadian sources of financing. The gas and oil industry obtained \$122 million of the \$162 million total in Canada, and \$84 million of the \$131 million total of the transportation equipment industry came from within

Canada. Other industry groups that did most of their external financing in Canada include the electrical products, the chemical products, the mining and primary metals, the wholesale trade, and the food and beverage. Thus, in 1967, seven of the eleven industry divisions obtained the larger part of their external financing from Canadian sources; this is in sharp contrast to 1965 when seven of the eleven groups relied more heavily on sources outside of Canada, mainly in the United States, for their external financing. Financing from Canadian sources in 1965 totalled \$220 million of which \$148 million or 67 per cent, represented increased borrowing from the banks. Other sources in Canada included loans from Canadian affiliates which rose by \$40 million, and sales of equity to Canadian residents

SUMMARY TABLE 21. Geographic Origins of Net External Funds, All Reporting Corporations, by Type of Finance, 1965 to 1967

In millions of dollars					
Year and type of financing	From the United States	From other foreign countries	From all foreign countries	From Canada	From all countries
1965					
Bank loans . . . . .	51	-2	49	148	197
Advances and receivables from parents and affiliates . . . . .	314	-2	312	40	352
Short-term loans . . . . .	-1	—	-1	-21	-22
Bonds and debentures . . . . .	66	—	66	-2	64
Other long-term debt . . . . .	34	—	34	17	51
Net total by borrowing . . . . .	464	-4	460	182	642
Increases in equity by sales to parents and affiliates . . . . .	96	8	104	—	104
Increases in equity by sales to others . . . . .	-3	-1	-4	38	34
Net total by sale of equity . . . . .	93	7	100	38	138
Total net funds by borrowing and by the sale of equity . . . . .	557	3	560	220	780
1966					
Bank loans . . . . .	-14	2	-12	211	199
Advances and receivables from parents and affiliates . . . . .	276	-19	257	-10	247
Short-term loans . . . . .	-1	—	-1	28	27
Bonds and debentures . . . . .	67	8	75	27	102
Other long-term debt . . . . .	55	1	56	8	64
Net total by borrowing . . . . .	383	-8	375	264	639
Increase in equity by sales to parents and affiliates . . . . .	66	31	97	-1	96
Increases in equity by sales to others . . . . .	—	-6	-6	5	-1
Net total by sale of equity . . . . .	66	25	91	4	95
Total net funds by borrowing and by the sale of equity . . . . .	449	17	466	268	734

SUMMARY TABLE 21. (Continued)

In millions of dollars

Year and type of financing	From the United States	From other foreign countries	From all foreign countries	From Canada	From all countries
1967					
Bank loans . . . . .	-18	-1	-19	249	230
Advances and receivables from parents and affiliates . . . . .	108	-14	94	-2	92
Short-term loans . . . . .	—	—	—	-17	-17
Bonds and debentures . . . . .	34	7	41	56	97
Other long-term debt . . . . .	-22	1	-21	42	21
Net total by borrowing . . . . .	102	-7	95	328	423
Increase in equity by sales to parents and affiliates . . . . .	92	21	113	6	119
Increases in equity by sales to others . . . . .	3	-4	-1	40	39
Net total by sale of equity . . . . .	95	17	112	46	158
Total net funds by borrowing and by the sale of equity . . . . .	197	10	207	374	581

Note: Figures shown are changes between the ends of the calendar years, 1964 to 1967, and represent the *net* financing during the years 1965, 1966 and 1967.

SUMMARY TABLE 22. Selected Liabilities Owning To and Paid-in Capital Held by Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, 1966 and 1967

In millions of dollars

Item	1966	1967	Change	1966	1967	Change
<i>In the United States</i>				<i>In other foreign countries</i>		
Canadian chartered bank loans . . . . .	—	—	—	—	—	—
Foreign bank loans . . . . .	198	180	-18	8	7	-1
Due to parents and affiliates . . . . .	1,840	1,948	108	540	526	-14
Short-term loans . . . . .	3	3	—	—	—	—
Bonds and debentures . . . . .	304	338	34	9	16	7
Other long-term debt . . . . .	202	180	-22	1	2	1
Paid-in capital by parents and affiliates . . . . .	1,647	1,739	92	738	759	21
Paid-in capital by others . . . . .	70	73	3	58	54	-4
<b>Total . . . . .</b>	<b>4,264</b>	<b>4,461</b>	<b>197</b>	<b>1,354</b>	<b>1,364</b>	<b>10</b>
<i>In Canada</i>				<i>In all countries</i>		
Canadian chartered bank loans . . . . .	716	965	249	716	965	249
Foreign bank loans . . . . .	—	—	—	206	187	-19
Due to parents and affiliates . . . . .	129	127	-2	2,509	2,601	92
Short-term loans . . . . .	130	113	-17	133	116	-17
Bonds and debentures . . . . .	709	765	56	1,022	1,119	97
Other long-term debt . . . . .	141	183	42	344	365	21
Paid-in capital by parents and affiliates . . . . .	1	7	6	2,386	2 505	119
Paid-in capital by others . . . . .	518	558	40	646	685	39
<b>Total . . . . .</b>	<b>2,344</b>	<b>2,718</b>	<b>374</b>	<b>7,962</b>	<b>8,543</b>	<b>581</b>



which showed a \$38 million gain. Third countries played a very minor role in the external financing of the reporting corporations in 1965, their aggregate net contribution being \$3 million of the \$780 million total.

In 1967, parents and affiliates were also the most important source of funds from the United States, providing a total of \$200 million. Of this amount, \$108 million was in the form of loans, advances and credits, and the other \$92 million represented increases in equity holdings. Bank loans in the United States declined by \$18 million from the total outstanding one year earlier, and transactions in bonds, debentures and other forms of long-term borrowing in the United States resulted in net increase of \$12 million. In addition, sales of equity to investors in the United States other than parents and affiliates contributed a further net \$3 million. Funds from foreign countries other than the United States, amounted to a net \$10 million or about two per cent of the \$581 million total. Canadian sources supplied the major portion of the net external financing in 1967, \$374 million or close to two-thirds of the \$581 million total. The major contributors to the total were increased loans from banks in

Canada, \$249 million, a \$98 million increase in bonds, debentures and other long-term borrowings from Canadian sources, and a \$46 million rise in the sales of equity, of which only \$6 million was to affiliates in Canada. Partly offsetting these increases were the \$17 million liquidation shown in Canadian short-term loans and a \$2 million decline in outstanding loans and advances from Canadian affiliates.

All of the eleven industry groupings listed in this Report acquired funds from external sources in 1967. The two groups relying the most on external sources of financing were the gas and oil, and the transportation equipment industries, the former to the extent of \$162 million, and the latter for a total of \$131 million. Two other industry groups drew more than \$50 million each from external sources in 1967; these were the pulp and paper, and the electrical products classifications, their drawings amounting to \$66 million and \$65 million, respectively. The other manufacturing group relied to the smallest extent upon external sources of financing with a drawing of only \$3 million.

**SUMMARY TABLE 23. Selected Sources of Funds from Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, 1967**

In millions of dollars

Item	Bank loans	Loans and advances by parents and affiliates	Short- term loans	Bonds and debentures	Other long- term debt	Paid-in capital by parents and affiliates	Paid-in capital by others	Total
<i>United States</i>								
Mining and primary metals . . . . .	-20	9	—	24	-22	9	-1	-1
Gas and oil . . . . .	-1	26	—	-15	-5	14	4	22
Machinery and metal fabricating . . . . .	—	6	—	2	-3	15	—	21
Transportation equipment . . . . .	—	35	—	4	—	4	—	43
Electrical products . . . . .	—	-9	—	-1	—	33	—	23
Chemical products . . . . .	3	—	-1	10	6	—	—	19
Food and beverage . . . . .	—	1	—	6	—	9	—	16
Pulp and paper . . . . .	—	35	1	—	-4	1	—	33
Other manufacturing . . . . .	—	22	—	5	-2	—	—	25
Wholesale trade . . . . .	—	-9	—	—	—	1	—	-9
Other non-manufacturing . . . . .	—	-8	—	-1	8	6	—	5
<b>Total . . . . .</b>	<b>-18</b>	<b>108</b>	<b>—</b>	<b>34</b>	<b>-22</b>	<b>92</b>	<b>3</b>	<b>197</b>
<i>Other foreign countries</i>								
Mining and primary metals . . . . .	—	-4	—	—	1	1	—	-4
Gas and oil . . . . .	—	12	—	—	—	4	1	18
Machinery and metal fabricating . . . . .	—	-3	—	—	—	1	—	-2
Transportation equipment . . . . .	—	4	—	—	—	—	—	4
Electrical products . . . . .	—	-5	—	—	—	—	—	-5
Chemical products . . . . .	—	-10	—	—	—	—	—	-10
Food and beverage . . . . .	—	-6	—	—	—	2	—	-3

SUMMARY TABLE 23. (Continued)

In millions of dollars

Item	Bank loans	Loans and advances by parents and affiliates	Short- term loans	Bonds and deben- tures	Other long- term debt	Paid-in capital by parents and affiliates	Paid-in capital by others	Total
Pulp and paper . . . . .	—	5	—	7	—	12	-5	19
Other manufacturing . . . . .	—	-3	—	—	—	—	—	-3
Wholesale trade . . . . .	-1	-5	—	—	—	—	2	-5
Other non-manufacturing . . . . .	—	1	—	—	—	1	-1	1
<b>Total . . . . .</b>	<b>-1</b>	<b>-14</b>	<b>—</b>	<b>7</b>	<b>1</b>	<b>21</b>	<b>-4</b>	<b>10</b>
<i>Canada</i>								
Mining and primary metals . . . . .	16	3	1	-4	1	2	7	26
Gas and oil . . . . .	-5	8	1	65	12	—	41	122
Machinery and metal fabricating . . . . .	18	—	4	-17	12	1	—	18
Transportation equipment . . . . .	65	-4	6	7	9	—	—	84
Electrical products . . . . .	36	-4	3	3	9	—	—	47
Chemical products . . . . .	30	2	3	-3	-1	—	—	30
Food and beverage . . . . .	18	—	-7	5	—	—	—	15
Pulp and paper . . . . .	32	-6	-1	-7	1	3	-7	14
Other manufacturing . . . . .	-10	-1	-15	2	4	—	—	-19
Wholesale trade . . . . .	43	3	-6	—	-1	—	—	38
Other non-manufacturing . . . . .	6	-3	-6	5	-4	—	—	-1
<b>Total . . . . .</b>	<b>249</b>	<b>-2</b>	<b>-17</b>	<b>56</b>	<b>42</b>	<b>6</b>	<b>40</b>	<b>374</b>
<i>All countries</i>								
Mining and primary metals . . . . .	-4	6	1	21	-20	12	6	21
Gas and oil . . . . .	-6	46	1	49	7	18	46	162
Machinery and metal fabricating . . . . .	20	4	4	-15	9	17	—	37
Transportation equipment . . . . .	65	35	6	11	9	4	—	131
Electrical products . . . . .	36	-18	3	2	9	33	—	65
Chemical products . . . . .	33	-8	2	7	5	—	—	39
Food and beverage . . . . .	17	-5	-7	11	—	11	—	28
Pulp and paper . . . . .	31	34	—	—	-3	16	-12	66
Other manufacturing . . . . .	-10	18	-15	7	2	—	-1	3
Wholesale trade . . . . .	42	-11	-6	—	-1	1	1	25
Other non-manufacturing . . . . .	6	-10	-6	4	4	7	-1	5
<b>Total . . . . .</b>	<b>230</b>	<b>92</b>	<b>-17</b>	<b>97</b>	<b>21</b>	<b>119</b>	<b>39</b>	<b>581</b>

Note: Figures may not add exactly, due to rounding.

Much of the external financing done in Canada by the reporting subsidiaries in 1967 was in the form of increased loans from the chartered banks. Bank loans to the transportation equipment industry rose by \$65 million, those to firms in the wholesale trade grew by \$42 million, and increases of \$36 million and \$33 million, respectively, are shown in bank borrowings of the electrical products and the chemical products industries. Increases in bank loans are also shown for all of the other industry groups with the

exceptions of the mining and primary metals, the gas and oil, and the other manufacturing groupings. The latter three reported slight decreases in their Canadian bank borrowing in 1967 compared with 1966. The major Canadian sources of external financing for the gas and oil industry in 1967 were the sale of bonds and debentures which provided \$65 million, sales of equity which supplied \$41 million, and other long-term borrowings, which grew by \$12 million.

Nine of the eleven industry groups continued to rely to some extent on sources in the United States for external financing in 1967. The amounts ranged from \$43 million net for the transportation equipment industry to \$5 million in the case of the other non-manufacturing group. In most cases, the funds were in the form of loans, advances and other credits from parents or affiliates in the United States or from the sale of equity to affiliates in that country. The major source of United States funds for the transportation equipment, the pulp and paper, the gas and oil, and the other manufacturing industry groups was loans and advances from parents and affiliates while sale of equity to parents and affiliates in that country was the most important form of financing in the United States for firms in the electrical products, the machinery and metal fabricating, and the food and beverage groups. The United States appears to have been the major source for external

funds only for the machinery, food and beverage, the other manufacturing, and the other non-manufacturing groups. Funds from foreign countries other than the United States, were a significant factor in the external financing of the reporting subsidiaries only in the cases of the pulp and paper, and gas and oil industries. In these latter cases, most of the funds involved came from the parents and affiliates abroad in the form of loans, advances and increased equity holdings.

While the reporting companies relied on external financing for substantial sums the principal source of financing for most industry groups was from funds generated within the companies themselves through retained earnings and depreciation allowances. These company earnings supplied some three-fifths of the 1965 total requirements and more than seven-tenths of that of 1967.

SUMMARY TABLE 24. Current Savings, All Reporting Corporations, by Industry, 1965 and 1967  
In millions of dollars

Industry	1965			1967		
	Current retained earnings	Depreciation and similar reserves	Current savings	Current retained earnings	Depreciation and similar reserves	Current savings
Mining and primary metals . . . . .	63	69	132	36	78	114
Gas and oil . . . . .	139	221	360	156	249	405
Machinery and metal fabricating . . . . .	32	58	90	53	75	128
Transportation equipment . . . . .	27	175	202	92	160	252
Electrical products . . . . .	23	31	54	22	41	63
Chemical products . . . . .	29	63	92	18	71	89
Food and beverage . . . . .	29	27	56	19	39	58
Pulp and paper . . . . .	33	82	115	14	83	97
Other manufacturing . . . . .	-3	69	66	33	60	93
Wholesale trade . . . . .	10	5	15	13	6	19
Other non-manufacturing . . . . .	38	28	66	50	32	82
<b>Total . . . . .</b>	<b>420</b>	<b>828</b>	<b>1,248</b>	<b>506</b>	<b>894</b>	<b>1,400</b>

The extent to which the respondents relied upon internal financing varied considerably over the period, both from industry to industry and from year to year. In 1965, one industry, the mining and primary metals class, met all its financing needs from internal sources, another, the other non-manufacturing grouping, financed about three-quarters of its requirements from its own resources, and five other industry classes relied upon internal sources for between 66 per cent and 70 per cent of their needs. On the other hand, the transportation equipment, the other manufacturing, and the chemical products industries obtained almost one-half, and the wholesale trade about three-quarters, of their financing from external sources in 1965. In 1967, the dependency of the industry groups upon internal sources of financing was greater than two years earlier. The mining, gas and oil, machinery, chemical products, other manufac-

turing and other non-manufacturing industries all obtained more than 70 per cent of their financing internally, the food and beverage, transportation equipment, and pulp and paper groups relied upon internal sources for between 60 per cent and 70 per cent of their needs and the wholesale trade drew upon its own resources for 44 per cent of its financing requirements in 1967 compared with only 24 per cent in 1965. The only industry relying less in relative terms on internal financing in 1967 than two years earlier was the electrical products class which obtained only 49 per cent of its financing from internal resources in 1967 compared with 66 per cent in 1965.

These shifts between external and internal sources of funds appear to be principally a function of the overall amounts required in relation to the ability of an industry to



**SUMMARY TABLE 25. Current Savings and Net External Funds, All Reporting Corporations, by Industry, 1965 and 1967**

In millions of dollars

Industry	1965			1967		
	Current savings	Net external funds	Total	Current savings	Net external funds	Total
Mining and primary metals . . . . .	132	- 13	119	114	21	135
Gas and oil . . . . .	360	176	536	405	162	567
Machinery and metal fabricating . . . . .	90	47	137	128	37	165
Transportation equipment . . . . .	202	231	433	252	131	383
Electrical products . . . . .	54	28	82	63	65	128
Chemical products . . . . .	92	95	187	89	39	128
Food and beverage . . . . .	56	24	80	58	28	86
Pulp and paper . . . . .	115	56	171	97	66	163
Other manufacturing . . . . .	66	71	137	93	3	96
Wholesale trade . . . . .	15	47	62	19	24	43
Other non-manufacturing . . . . .	66	18	84	82	5	87
<b>Total . . . . .</b>	<b>1,248</b>	<b>780</b>	<b>2,028</b>	<b>1,400</b>	<b>581</b>	<b>1,981</b>

generate funds internally. Normally, the internal generation of funds by a company is stable or increasing while the overall requirements for funds varies. In 1967, the overall requirements for funds declined while internal generation increased. It is apparent that in industries where requirements increased sharply there was a greater dependence on external sources while in those industries where requirements were the same or lower a much larger proportion was supplied from internal sources. In addition, it is apparent that in 1967 companies followed a somewhat more restrictive dividend policy with the result that a larger proportion of the earnings were retained in the business.

#### Investment in Domestic and Foreign Affiliates

While the reporting corporations have large scale foreign liabilities they also have foreign assets. The only assets which companies were asked to report were those with parent and affiliated companies. In total such assets with foreign affiliates amounted to \$632 million in 1967, with \$368 million being held in the United States and \$264 million in other foreign countries. The investments in the United States were largely in the form of loans and accounts receivable with very little in the form of equity investment. The investments in other foreign countries were more than half in the form of equity. In the period between 1964 and 1967 investment in foreign affiliates increased significantly rising by more than \$200 million, from \$428 to \$632 million. Investments in the United States rose by almost \$160 million over this period and those in other foreign countries by \$45 million. The increase in the United States was primarily due to the rising value of receivables, principally in the transportation equipment industry. The higher investment in other foreign countries was entirely due to larger equity holdings.

In addition to investments in foreign affiliates the corporation had significant investments in affiliates in Canada amounting to \$688 million in 1967. Such investments too, have increased sharply from the \$476 million reported for 1964.

#### Quarterly Information

The reporting corporations were asked to provide balance sheet information on selected asset, liability and capital items on a quarterly basis, beginning with the last quarter of calendar 1964. Data were requested on the following items in dollar terms as at the end of the quarter being surveyed; bank loans outstanding, amount due to parent and affiliated companies, short-term loans outstanding, bonds and debentures outstanding, other long-term debt owing, the paid-in capital held by parents and affiliates, and the paid-in capital held by other investors. This information is shown for thirteen successive quarters by major geographic area in Summary Tables 27 and 27a. Summary Table 27 shows the total debt outstanding and capital stock issued at the end of each quarter and Summary Table 27a shows the changes in dollar terms that took place from quarter to quarter in the period covered. The data used in this section on financing for the years 1964, 1965, 1966 and 1967 are based on the balances outstanding at December 31st of each of these years and the changes between these amounts.

The total debt and capital stock outstanding in all countries increased from about \$6.4 billion at the end of the last quarter of 1964 to just over \$8 1/2 billion at the end of 1967, a rise of some 32 per cent. The major geographic areas did not contribute equally to this rise, the total owed or outstanding in Canada increasing from

SUMMARY TABLE 26. Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, Annually, 1964 to 1967

In millions of dollars

Country and type of investment	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Purchases of shares in affiliates . . . . .	39	38	33	34	-1	-5	1
Advances to and receivables from parents and affiliates . . . . .	170	234	306	334	64	72	28
Total due from or invested in parents and affiliates . . . . .	209	272	339	368	63	67	29
Other foreign countries:							
Purchases of shares in affiliates . . . . .	70	78	112	143	8	34	31
Advances to and receivables from parents and affiliates . . . . .	149	153	125	121	4	-28	-4
Total due from or invested in parents and affiliates . . . . .	219	231	237	264	12	6	27
All foreign countries:							
Purchases of shares in affiliates . . . . .	109	116	145	177	7	29	32
Advances to and receivables from parents and affiliates . . . . .	319	387	431	455	68	44	24
Total due from or invested in parents and affiliates . . . . .	428	503	576	632	75	73	56
Canada:							
Purchases of shares in affiliates . . . . .	212	263	240	305	51	-23	65
Advances to and receivables from parents and affiliates . . . . .	264	337	371	383	73	34	12
Total due from or invested in parents and affiliates . . . . .	476	600	611	688	124	11	77
All countries:							
Purchases of shares in affiliates . . . . .	321	379	385	482	58	6	97
Advances to and receivables from parents and affiliates . . . . .	583	724	802	838	141	78	36
Total due from or invested in parents and affiliates . . . . .	904	1,103	1,187	1,320	199	84	133

\$1,856 million to \$2,718 million over the period or by 46 per cent, the United States share going from \$3,258 million to \$4,461 million, an advance of 37 per cent and the amount due to third countries rising only slightly, from \$1,334 million to \$1,364 million or by only about two per cent. As a result of these different rates of increases, the share of the total debt outstanding and capital stock issued of the reporting corporations held in Canada rose from 29 per cent to 32 per cent over the 1964 to 1967 period, the

share held in the United States increased from just over 50 per cent at the end of 1964 to some 52 per cent three years later, while the share held by investors in foreign countries other than the United States, declined over the period from about 21 per cent to 16 per cent.

As Summary Table 27a illustrates, the increases in the total debt outstanding and capital stock issued between successive quarters did not take place evenly, although the

**SUMMARY TABLE 27. Selected Liabilities and Paid-in Capital Balances with Origins in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Quarters, 1964 to 1967**

In millions of dollars

Year and quarter	In the United States	In other foreign countries	In Canada	In all countries
<i>1964</i>				
Fourth quarter . . . . .	3,258	1,334	1,856	6,448
<i>1965</i>				
First quarter . . . . .	3,392	1,318	1,936	6,646
Second quarter . . . . .	3,471	1,329	1,961	6,761
Third quarter . . . . .	3,573	1,335	2,007	6,915
Fourth quarter . . . . .	3,815	1,337	2,076	7,228
<i>1966</i>				
First quarter . . . . .	3,959	1,345	2,133	7,437
Second quarter . . . . .	4,073	1,350	2,127	7,550
Third quarter . . . . .	4,021	1,364	2,190	7,575
Fourth quarter . . . . .	4,264	1,354	2,344	7,962
<i>1967</i>				
First quarter . . . . .	4,244	1,332	2,509	8,086
Second quarter . . . . .	4,291	1,349	2,617	8,257
Third quarter . . . . .	4,363	1,354	2,647	8,363
Fourth quarter . . . . .	4,461	1,364	2,718	8,543

*Note: Totals may not add exactly, due to rounding.*

**SUMMARY TABLE 27a. Selected Sources of Funds<sup>(1)</sup> from Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Quarters, 1965 to 1967**

In millions of dollars

Year and quarter	In the United States	In other foreign countries	In Canada	In all countries
<i>1965</i>				
First quarter . . . . .	134	-15	80	199
Second quarter . . . . .	79	11	25	115
Third quarter . . . . .	102	6	46	154
Fourth quarter . . . . .	242	1	69	312
<i>1966</i>				
First quarter . . . . .	144	8	57	209
Second quarter . . . . .	114	5	-6	113
Third quarter . . . . .	-52	14	63	25
Fourth quarter . . . . .	243	-10	154	387
<i>1967</i>				
First quarter . . . . .	-20	-22	165	124
Second quarter . . . . .	47	17	107	171
Third quarter . . . . .	71	5	30	106
Fourth quarter . . . . .	99	10	72	180

<sup>(1)</sup>Figures represent changes from previous quarters.

*Note: Figures may not add or subtract exactly, due to rounding.*



trend, except for third countries, was strongly upward. In the case of Canada, eleven of the twelve quarter-to-quarter changes shown are increases, these rises ranged from \$25 million between the first and second quarter of 1965 to \$165 million between the fourth quarter of 1966 and the first quarter of 1967. The only decline was of \$6 million and took place between the first and second quarters of 1966. Ten of the twelve quarterly changes in the case of the United States were increases, these varied from \$47 million between the first and second quarters of 1967 to \$243 million between the third and fourth quarters of 1966. The decreases were \$52 million between the second and third quarter of 1966 and \$20 million between the fourth quarter of 1966 and the first quarter of 1967. Quarter-to-quarter changes in the indebtedness and capital stock

held by investors in other countries were relatively small during the period covered, the nine increases shown ranging from \$1 million to \$17 million and the three declines that took place being between \$10 million and \$22 million.

This quarterly information is proving useful in analyzing sources of external financing and in detecting changes in the pattern of this financing in advance of receiving the annual returns from the reporting corporations. While it is too early to fully assess the significance of quarterly movements, the increasing reliance upon sources of financing in Canada and the static position of third countries in the financing of the reporting corporations are clearly discernible.

TABLE 8. — Current Savings, All Reporting Corporations, by Industry, Annually, 1964 to 1967  
In millions of dollars

Industry	1964				1965				1966				1967			
	Current retained earnings	Depreciat- ion and similar reserves	Current savings	Current retained earnings	Depreciat- ion and similar reserves	Current savings	Current retained earnings	Depreciat- ion and similar reserves	Current savings	Current retained earnings	Depreciat- ion and similar reserves	Current savings	Current retained earnings	Depreciat- ion and similar reserves	Current savings	Current retained earnings
Mining and primary metals . . . .	62	68	130	63	69	132	68	73	141	36	78	114	36	78	114	36
Gas and oil . . . . .	109	207	316	139	221	360	149	234	383	156	249	405	156	249	405	156
Machinery and metal fabricating	28	53	81	32	58	90	27	59	86	53	75	128	53	75	128	53
Transportation equipment . . . . .	83	127	210	27	175	202	-14	166	152	92	160	252	92	160	252	92
Electrical products . . . . .	22	31	53	23	31	54	32	36	68	22	41	63	22	41	63	22
Chemical products . . . . .	-30	54	24	29	63	92	32	64	96	18	71	89	18	71	89	18
Food and beverage . . . . .	28	26	54	29	27	56	24	30	54	19	39	58	19	39	58	19
Pulp and paper . . . . .	63	76	139	33	82	115	42	82	124	14	83	97	14	83	97	14
Other manufacturing . . . . .	27	44	71	-3	69	66	33	54	87	33	60	93	33	60	93	33
Wholesale trade . . . . .	7	4	11	10	5	15	12	5	17	13	6	19	13	6	19	13
Other non-manufacturing . . . . .	24	21	45	38	28	66	46	28	74	50	32	82	50	32	82	50
<b>Total . . . . .</b>	<b>423</b>	<b>711</b>	<b>1,134</b>	<b>420</b>	<b>828</b>	<b>1,248</b>	<b>451</b>	<b>831</b>	<b>1,282</b>	<b>506</b>	<b>894</b>	<b>1,400</b>	<b>506</b>	<b>894</b>	<b>1,400</b>	<b>506</b>

TABLE 9.—International Non-merchandise Transactions, All Reporting Corporations, by Industry, Annually, 1964 to 1967

Industry	Receipts from abroad				Payments abroad				Payments abroad as percentage of total income			
	1964	1965	1966	1967	1964	1965	1966	1967	1964	1965	1966	1967
	Millions of dollars				Millions of dollars				Per cent			
Mining and primary metals . . . .	1	1	1	6	61	57	50	59	8	7	6	7
Gas and oil . . . . .	14	19	20	19	114	131	145	177	4	4	4	5
Machinery and metal fabricating	2	2	2	2	52	53	67	48	5	4	5	3
Transportation equipment . . . . .	15	11	20	22	54	117	166	132	2	3	4	3
Electrical products . . . . .	1	1	1	1	20	31	32	38	2	3	3	3
Chemical products . . . . .	4	6	7	5	118	66	65	72	10	5	5	5
Food and beverage . . . . .	2	2	1	2	41	38	53	47	3	3	3	3
Pulp and paper . . . . .	2	3	2	4	58	88	78	84	5	7	6	6
Other manufacturing industries .	5	4	5	4	32	41	39	39	3	4	3	3
Wholesale trade . . . . .	1	1	—	—	12	13	10	4	1	1	1	—
Other non-manufacturing industries	2	2	—	—	35	24	21	22	3	2	1	1
<b>Total . . . . .</b>	<b>49</b>	<b>52</b>	<b>59</b>	<b>65</b>	<b>597</b>	<b>659</b>	<b>726</b>	<b>722</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>

TABLE 10. — Sources and Geographic Origins of Net External Funds, All Reporting Corporations, 1965 to 1967  
In millions of dollars

Year and source of financing	From the United States	From other foreign countries	From all foreign countries	From Canada	From all countries
1965					
From parents and affiliates:					
Loans, advances and other credits . . . . .	314	-2	312	40	352
Investment in equity . . . . .	96	8	104	—	104
Sub-total . . . . .	410	6	416	40	456
From other sources:					
Loans and other credits . . . . .	150	-2	148	142	290
Investment in equity . . . . .	-3	-1	-4	38	34
Sub-total . . . . .	147	-3	144	180	324
<b>Total . . . . .</b>	<b>557</b>	<b>3</b>	<b>560</b>	<b>220</b>	<b>780</b>
1966					
From parents and affiliates:					
Loans, advances and other credits . . . . .	276	-19	257	-10	247
Investment in equity . . . . .	66	31	97	-1	96
Sub-total . . . . .	342	12	354	-11	343
From other sources:					
Loans and other credits . . . . .	107	11	118	274	392
Investment in equity . . . . .	—	-6	-6	5	-1
Sub-total . . . . .	107	5	112	279	391
<b>Total . . . . .</b>	<b>449</b>	<b>17</b>	<b>466</b>	<b>268</b>	<b>734</b>



TABLE 10. (Continued)

In millions of dollars

Year and source of financing	From the United States	From other foreign countries	From all foreign countries	From Canada	From all countries
1967					
From parents and affiliates:					
Loans, advances and other credits . . . . .	108	-14	94	-2	92
Investment in equity . . . . .	92	21	113	6	119
Sub-total . . . . .	200	7	207	4	211
From other sources:					
Loan and other credits . . . . .	-6	7	1	330	331
Investment in equity . . . . .	3	-4	-1	40	39
Sub-total . . . . .	-3	3	-	370	370
<b>Total . . . . .</b>	<b>197</b>	<b>10</b>	<b>207</b>	<b>374</b>	<b>581</b>

Note: Figures shown are changes between the ends of the calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

TABLE 11. — Selected Liabilities Owning to, and Paid-in Capital Held by Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, Year-ends, 1964 to 1967

In millions of dollars

Type of liability owing	Amount owing				Change from		
	1964	1965	1966	1967	1964	1965	1966
To residents of the United States							
Canadian chartered bank loans . . . . .	-	-	-	-	-	-	-
Foreign bank loans . . . . .	161	212	198	180	51	-14	-18
Due to parents and affiliates . . . . .	1,250	1,564	1,840	1,948	314	276	108
Short-term loans . . . . .	5	4	3	3	-1	-1	-
Bonds and debentures . . . . .	171	237	304	338	66	67	34
Other long-term debt . . . . .	113	147	202	180	34	55	-22
Paid-in capital by parents and affiliates	1,485	1,581	1,647	1,739	96	66	92
Paid-in capital by others . . . . .	73	70	70	73	-3	-	3
<b>Total . . . . .</b>	<b>3,258</b>	<b>3,815</b>	<b>4,264</b>	<b>4,461</b>	<b>557</b>	<b>449</b>	<b>197</b>
To residents of other foreign countries							
Canadian chartered bank loans . . . . .	-	-	-	-	-	-	-
Foreign bank loans . . . . .	8	6	8	7	-2	2	-1
Due to parents and affiliates . . . . .	561	559	540	526	-2	-19	-14
Short-term loans . . . . .	-	-	-	-	-	-	-
Bonds and debentures . . . . .	1	1	9	16	-	8	7
Other long-term debt . . . . .	-	-	1	2	-	1	1
Paid-in capital by parents and affiliates	699	707	738	759	8	31	21
Paid-in capital by others . . . . .	65	64	58	54	-1	-6	-4
<b>Total . . . . .</b>	<b>1,334</b>	<b>1,337</b>	<b>1,354</b>	<b>1,364</b>	<b>3</b>	<b>17</b>	<b>10</b>

TABLE 11. (Continued)

In millions of dollars

Type of liability owing	Amount owing				Change from		
	1964	1965	1966	1967	1964	1965	1966
To residents of all foreign countries							
Canadian chartered bank loans . . . . .	-	-	-	-	-	-	-
Foreign bank loans . . . . .	169	218	206	187	49	-12	-19
Due to parents and affiliates . . . . .	1,811	2,123	2,380	2,474	312	257	94
Short-term loans . . . . .	5	4	3	3	-1	-1	-
Bonds and debentures . . . . .	172	238	313	354	66	75	41
Other long-term debt . . . . .	113	147	203	182	34	56	-21
Paid-in capital by parents and affiliates	2,184	2,288	2,385	2,498	104	97	113
Paid-in capital by others . . . . .	138	134	128	127	-4	-6	-1
<b>Total . . . . .</b>	<b>4,592</b>	<b>5,152</b>	<b>5,618</b>	<b>5,825</b>	<b>560</b>	<b>466</b>	<b>207</b>
To residents of Canada							
Canadian chartered bank loans . . . . .	357	505	716	965	148	211	249
Foreign bank loans . . . . .	-	-	-	-	-	-	-
Due to parents and affiliates . . . . .	99	139	129	127	40	-10	-2
Short-term loans . . . . .	123	102	130	113	-21	28	-17
Bonds and debentures . . . . .	684	682	709	765	-2	27	56
Other long-term debt . . . . .	116	133	141	183	17	8	42
Paid-in capital by parents and affiliates	2	2	1	7	-	-1	6
Paid-in capital by others . . . . .	475	513	518	558	38	5	40
<b>Total . . . . .</b>	<b>1,856</b>	<b>2,076</b>	<b>2,344</b>	<b>2,718</b>	<b>220</b>	<b>268</b>	<b>374</b>
To residents of all countries							
Canadian chartered bank loans . . . . .	357	505	716	965	148	211	249
Foreign bank loans . . . . .	169	218	206	187	49	-12	-19
Due to parents and affiliates . . . . .	1,910	2,262	2,509	2,601	352	247	92
Short-term loans . . . . .	128	106	133	116	-22	27	-17
Bonds and debentures . . . . .	854	920	1,022	1,119	64	102	97
Other long-term debt . . . . .	229	280	344	365	51	64	21
Paid-in capital by parents and affiliates	2,186	2,290	2,386	2,505	104	96	119
Paid-in capital by others . . . . .	613	647	646	685	34	-1	39
<b>Total . . . . .</b>	<b>6,447</b>	<b>7,228</b>	<b>7,962</b>	<b>8,543</b>	<b>780</b>	<b>734</b>	<b>581</b>

Note: Totals may not add exactly, due to rounding.

## SECTION 4. – TRANSACTIONS OF REPORTING CORPORATIONS BY COUNTRY OF CONTROL

Most of the 326 corporations in the tabulations, 259, were controlled in the United States, 46 had parents in Britain and 21 were controlled in other foreign countries.

The reporting corporations controlled in the United States accounted for a high proportion of the total revenues shown by all the respondents. In 1964, subsidiaries with parents in the United States had revenues of \$13 billion, equivalent to 83 per cent of the \$15.6 billion total, respondents controlled in Britain showed revenues of \$1.6 billion, representing 10 per cent of the total, and companies controlled in other foreign countries reported revenues of \$1.1 billion, or seven per cent of the total. In 1967, the respondents controlled in the United States had revenues of \$18.2 billion, 86 per cent of that year's higher total. Revenues accruing to subsidiaries with parents in Britain amounted to \$1.9 billion, some \$300 million more than in

1964, but these accounted for only nine per cent of the aggregate. Respondents with parents in other foreign countries had slightly lower revenues in 1967 than in 1964, \$1,047 million compared with \$1,063 million in the earlier year, and their share of the total was only five per cent.

As Summary Table 28 shows, income from sales of merchandise accounted for the bulk of the revenues shown for all respondents, with receipts from non-merchandise transactions, including interest, dividends, rent, fees from managerial and technical services, royalties, and earnings for research and development work, accounting for only about two per cent of total revenues in both years. The reporting corporations controlled in the United States were responsible for most of the non-merchandise receipts, 83 per cent in 1964 and 78 per cent of the total in 1967.

**SUMMARY TABLE 28. Total Revenues of All Reporting Corporations by Country of Control, 1964 and 1967**

Reporting corporations controlled in	1964			1967		
	Operating sales	Other receipts	Total revenues	Operating sales	Other receipts	Total revenues
<i>Amounts:</i>	In millions of dollars					
United States . . . . .	12,751	254	13,005	17,901	322	18,223
Britain . . . . .	1,562	17	1,579	1,831	56	1,887
Other foreign countries . . . . .	1,029	34	1,063	1,010	37	1,047
<b>All foreign countries . . . . .</b>	<b>15,342</b>	<b>305</b>	<b>15,647</b>	<b>20,742</b>	<b>415</b>	<b>21,157</b>
<i>Proportions of totals:</i>	In percentages					
United States . . . . .	83	83	83	86	78	86
Britain . . . . .	10	6	10	9	13	9
Other foreign countries . . . . .	7	11	7	5	9	5
<b>All foreign countries . . . . .</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Summary Table 29 shows the sales and purchases patterns of the reporting corporations by country of control in 1964 and 1967. The data suggest that subsidiaries controlled in the United States, in Britain and in other foreign countries have both similarities and differences in their buying and selling practices, and that these practices may differ from year to year.

The reporting corporations whether controlled in the United States, Britain or in other foreign countries had these common features in both 1964 and 1967; they directed more than one-half of all their exports to the United States in both years and the proportions going to that market were higher in 1967 than three years earlier, they relied on imports for more of their purchases than they did on exports for their sales, and, as might be expected, they obtained most of their imports in the

countries in which their parents and/or affiliates were located. There were differences in the extent to which they depended upon foreign sales and on foreign purchases. In 1964, respondents controlled in the United States marketed 18 per cent of goods sold in foreign countries, companies controlled in Britain exported 24 per cent of output, and corporations with parents in other countries relied upon foreign markets for 20 per cent of their sales. In 1967, exports accounted for 22 per cent of the sales of United States-controlled firms, for 23 per cent of those controlled in Britain and for 16 per cent for companies controlled in other parts of the world.

In dollar terms, exports were higher in 1967 than in 1964 for the respondents controlled in the United States and Britain but lower in the case of the other foreign countries. On the purchasing side, corporations controlled



in the United States relied on foreign sources for 25 per cent of their purchases in 1964, those controlled in Britain for 43 per cent of theirs, and those controlled elsewhere abroad obtained 31 per cent of their merchandise needs from outside of Canada. These proportions were somewhat different in 1967 when 33 per cent of the purchases of United States-controlled companies came from abroad, 30 per cent of those firms controlled in Britain, and 27 per cent for those of respondents controlled in other foreign countries. Corporations controlled in the United States relied most heavily on their parents' country for both export sales and imported purchases in both 1964 and 1967. In 1964, 63 per cent of the export sales of these

respondents went to the United States and 84 per cent of their imports were obtained there, and in 1967 the proportions were higher, at 78 per cent and 87 per cent, respectively. British-controlled companies depended upon the United States for 57 per cent of their exports and for 36 per cent of their imports in 1964 and these proportions had risen to 61 per cent for exports and 38 per cent for imports, in 1967. Reporting corporations controlled in other foreign countries sent 53 per cent of their exports to the United States and bought 27 per cent of their imports from that country in 1964, and this dependence was up to 74 per cent for export markets and to 37 per cent for imported purchases in 1967.

**SUMMARY TABLE 29.** Total Merchandise Sales, Total Merchandise Purchases and Commodity Trade with the United States and with Other Foreign Countries, All Reporting Corporations, by Country of Control, 1964 and 1967

Item	1964				1967			
	Reporting corporations controlled in							
	United States	Britain	Other foreign countries	All foreign countries	United States	Britain	Other foreign countries	All foreign countries
In millions of dollars								
Total sales:(1)	12,751	1,562	1,029	15,342	17,901	1,831	1,010	20,742
Export sales:								
To United States . . . . .	1,427	212	107	1,746	3,138	254	117	3,509
To other countries . . . . .	851	157	96	1,104	887	161	42	1,090
Total exports . . . . .	2,278	369	203	2,850	4,025	415	159	4,599
Total purchases:(1) . . . . .	7,455	771	646	8,872	10,997	1,060	580	12,637
Imports:(2)								
From United States . . . . .	1,599	119	53	1,771	3,124	121	57	3,302
From other countries . . . . .	299	215	145	659	467	196	98	761
Total imports . . . . .	1,898	334	198	2,430	3,591	317	155	4,063
In percentages								
Proportions:								
Export sales to United States								
to total exports . . . . .	63	57	53	61	78	61	74	76
Total exports to total sales . . . . .	18	24	20	19	22	23	16	22
Imports from United States								
to total imports . . . . .	84	36	27	73	87	38	37	81
Total imports to total purchases . . . . .	25	43	31	27	33	30	27	32

(1) Includes merchandise sales and purchases made in Canada.

(2) Includes capital items.

## International Transactions of Reporting Corporations Controlled in the United States

The reporting corporations controlled in the United States directed the bulk of their commodity exports to that country and obtained most of their imports of goods from it. In 1964, these corporations had total commodity exports of about \$2.3 billion, of which \$1.4 billion or 63 per cent, went to the United States, and they obtained \$1.6 billion worth or 84 per cent of their commodity imports from that country. This dependence upon the United States as both a market and source of supply was even greater in 1967; in that year exports to the United States totalled \$3.1 billion, 78 per cent of their total foreign sales, and imports from that country also amounted to \$3.1 billion,

which represented 87 per cent of all foreign purchases. The slightly larger increase in exports than in imports changed the balance on merchandise trade between the reporting corporations and the United States from a \$172 million deficit in 1964 to a \$14 million surplus in 1967. In both years, the respondents' exports to foreign countries other than the United States exceeded their purchases in these markets by a substantial margin, the favourable balance on this account amounted to \$552 million in 1964 and \$420 million in 1967. As Summary Table 30 shows, these large favourable balances contributed materially to the surplus shown on merchandise trade with all foreign countries.

**SUMMARY TABLE 30. Current International Transactions with the United States and with Other Foreign Countries by Reporting Corporations Controlled in the United States, 1964 and 1967**

Item	1964				1967			
	United States	Other foreign countries	All foreign countries	United States as % of total	United States	Other foreign countries	All foreign countries	United States as % of total
	\$ mill.	\$ mill.	\$ mill.	%	\$ mill.	\$ mill.	\$ mill.	%
<i>Merchandise trade:</i>								
Exports . . . . .	1,427	851	2,278	63	3,138	887	4,025	78
Imports <sup>(1)</sup> . . . . .	1,599	299	1,898	84	3,124	467	3,591	87
Balance . . . . .	-172	+552	+380	n/a	+14	+420	+434	3
<i>Non-merchandise trade:</i>								
Current receipts . . . . .	10	26	36	28	20	27	47	43
Dividends paid . . . . .	305	3	308	99	269	5	274	98
Other payments . . . . .	196	15	211	93	340	21	361	94
Current payments . . . . .	501	18	519	97	609	26	635	96
Balance . . . . .	-491	8	-483	n/a	-589	1	-588	n/a
Total current receipts . . . . .	1,437	877	2,314	62	3,158	914	4,072	78
Total current payments . . . . .	2,100	317	2,417	87	3,733	493	4,226	88
Current account balance <sup>(2)</sup> . . . . .	-663	+560	-103	n/a	-575	+421	-154	n/a

(1) Includes capital items.

(2) This concept of "current account balance" and its limitations are described in the final paragraph of Section 2, *Balance of Payments Implications*.

As might be expected, most of the reporting corporations' non-merchandise dealings were with the United States, and these resulted in substantial deficits in all the years covered. For example, the excess of current payments other than for the purchase of goods, over the non-merchandise receipts of the respondents in transactions with the United States amounted to \$491 million in 1964 and to \$589 million in 1967. Dividend payments comprised three-fifths of the \$501 million total current payments in 1964 and more than two-fifths of the \$609 million total in

1967. As Summary Table 30 shows, the dividend payments were somewhat lower in 1967 than three years earlier but the sharp rise in other current payments, from \$196 million in the earlier year to \$340 million, much more than offset the fall in dividend payments. As in the case of merchandise trade, non-merchandise transactions with other foreign countries yielded surpluses in both years, but these were too small to materially affect the large imbalances incurred in transactions with the United States. As a result, reporting corporations controlled in the United States incurred

deficits of \$483 million in 1964 and of \$588 million in 1967 in their non-merchandise dealings with all foreign countries.

The total receipts of the reporting corporations on both merchandise and non-merchandise accounts in transactions with the United States were \$1.4 billion in 1964 and \$3.2 billion in 1967 while total current payments amounted to \$2.1 billion and \$3.7 billion, respectively. These resulted in deficits of \$663 million in 1964 and of \$575 million in 1967 on current account transactions. The surplus earned in dealings with other foreign countries, \$560 million in 1964 and \$421 million in 1967, reduced the overall deficits on current account with all foreign countries to \$103 million in 1964 and to \$154 million in 1967.

The international transactions of reporting corporations controlled in the United States with parents and affiliates in the United States and in other foreign countries are shown in Summary Table 31. In 1964, about two-thirds of the commodity exports of the respondents to the United States went to parents and affiliates in that country and

this proportion had increased to 82 per cent in 1967. Affiliated companies in the United States supplied about seven-tenths of all goods purchased there by the reporting corporations, in both 1964 and 1967. The sharper rise in commodity exports than in imports in trade with parents and affiliates in the United States between 1964 and 1967, changed the balance on merchandise account from a deficit of \$191 million in 1964 to a surplus of \$329 million three years later. As mentioned previously, the large increase in sales of automotive goods to parents and affiliates in the United States following the implementation of the Canada-United States automotive pact, was a major factor in the improvement shown in merchandise trade between 1964 and 1967. Large deficits are shown in both 1964 and 1967 in non-merchandise transactions with parents and affiliated companies in the United States. These deficits amounted to \$421 million in 1964 and to \$509 million in 1967. The increase in the deficit occurred despite the fact that payments of dividends to United States affiliates declined from \$300 million in 1964 to \$265 million in 1967. This decline was much more than offset by the increase in other current payments from \$128 million to \$261 million. Transactions with affiliates in other foreign countries resulted in a current

SUMMARY TABLE 31. Current International Transactions with Parents and Affiliates in the United States and in Other Foreign Countries by Reporting Corporations Controlled in the United States, 1964 and 1967

Item	1964				1967			
	United States	Other foreign countries	All foreign countries	United States as % of total	United States	Other foreign countries	All foreign countries	United States as % of total
	\$ mill.	\$ mill.	\$ mill.	%	\$ mill.	\$ mill.	\$ mill.	%
Transactions with parents and affiliates:								
<i>Merchandise trade:</i>								
Exports .....	945	241	1,186	80	2,582	252	2,834	91
Imports <sup>(1)</sup> .....	1,136	215	1,351	84	2,253	332	2,585	87
Balance .....	-191	+26	-165	n/a	+329	-80	+249	n/a
<i>Non-merchandise trade:</i>								
Current receipts .....	7	21	28	25	17	19	36	47
Dividends paid .....	300	—	300	100	265	1	266	100 <sup>(2)</sup>
Other payments .....	128	12	140	90	261	18	279	94
Current payments .....	428	12	440	97	526	19	545	97
Balance .....	-421	+ 9	-412	n/a	-509	—	-509	n/a
Total current receipts .....	952	262	1,214	78	2,599	271	2,870	91
Total current payments .....	1,564	227	1,791	87	2,779	351	3,130	89
Current account balance <sup>(3)</sup> .....	-612	+35	-577	n/a	-180	-80	-260	69

(1) Includes capital items.

(2) Actually 99.6 per cent rounded.

(3) See footnote 2 to Summary Table 30.



account surplus of \$35 million in 1964 and a deficit of \$80 million in 1967. Total foreign transactions with affiliates by corporations controlled in the United States including those

on both merchandise and non-merchandise account, resulted in a deficit of \$260 million in 1967 compared with one of \$577 million three years earlier.

### International Transactions of Reporting Corporations Controlled in Britain

The reporting corporations controlled in Britain directed the larger portion of their commodity exports to markets in the United States in the 1964-1967 period. For example, 57 per cent of their total foreign sales of goods went to the United States in 1964 and 61 per cent in 1967. As these respondents obtained much of their imported goods from countries other than the United States, their large sales to that country resulted in substantial surpluses on merchandise trade with the United States, \$93 million in 1964 and \$133 million in 1967. The respondents did have unfavourable balances in both years in non-merchandise trade with the United States but these only amounted to \$14 million in 1964 and \$18 million three years later. As a result, there were favourable balances on current account in transactions with the United States in the two years, \$79

million in 1964 and \$115 million in 1967. Trade with foreign countries other than the United States brought fairly substantial deficits in both years, adverse balances being incurred on both merchandise and non-merchandise account. In 1964, there was a deficit of \$58 million on the exchange of goods with these other foreign countries and an unfavourable balance of \$33 million on non-merchandise trade, yielding a current account imbalance of \$91 million. The 1967 deficit with such countries was \$54 million, made up of \$35 million deficit on merchandise trade and a \$19 million deficit on non-merchandise transactions. The overall results were a deficit of \$12 million on current account trade with all foreign countries in 1964 and a surplus of \$61 million in 1967.

**SUMMARY TABLE 32. Current International Transactions With the United States and With Other Foreign Countries by Reporting Corporations Controlled in Britain, 1964 and 1967**

Item	1964				1967			
	United States	Other foreign countries	All foreign countries	United States as % of total	United States	Other foreign countries	All foreign countries	United States as % of total
	\$ mill.	\$ mill.	\$ mill.	%	\$ mill.	\$ mill.	\$ mill.	%
<i>Merchandise trade:</i>								
Exports . . . . .	212	157	369	57	254	161	415	61
Imports <sup>(1)</sup> . . . . .	119	215	334	36	121	196	317	38
Balance . . . . .	+93	-58	+35	n/a	+133	-35	+98	n/a
<i>Non-merchandise trade:</i>								
Current receipts . . . . .	—	3	3	—	1	7	8	12
Dividends paid . . . . .	1	27	28	4	3	16	19	16
Other payments . . . . .	13	9	22	59	16	10	26	62
Current payments . . . . .	14	36	50	28	19	26	45	42
Balance . . . . .	-14	-33	-47	30	-18	-19	-37	49
Total current receipts . . . . .	212	160	372	57	255	168	423	60
Total current payments . . . . .	133	251	384	35	140	222	362	39
Current account balance <sup>(2)</sup> . . . . .	+79	-91	-12	n/a	+115	-54	+61	n/a

(1)Includes capital items.

(2)See footnote 2 to Summary Table 30.

Trade with parents and affiliates abroad appears to have been somewhat less important in the international transactions of the reporting corporations controlled in

Britain than in those controlled in the United States. In both 1964 and 1967 about one third of all exports went to affiliates. It is notable that exports to affiliates in the

United States exceeded such exports to other foreign countries. Of the total goods imported by these corporations about one-third came from affiliates in 1964 and almost one-half in 1967. In both years these imports from affiliates were largely from countries other than the United States. On non-merchandise account with foreign affiliates, the largest item was dividend payments and in both 1964 and 1967, the greater part of these went to foreign countries other than the United States, mainly to parents and affiliates in Britain. Thus, in 1964, \$27 million of the \$28 million dividends going abroad went to foreign countries other than the United States, with \$23 million of the total going to parents and affiliates; in 1967, of the \$19 million paid abroad as dividends, \$17 million went to parents and affiliates, entirely to those in countries other than the United States. In both years, reporting corporations con-

trolled in Britain had deficits on current account trading with parents and affiliates, the excess of current payments over current receipts amounting to \$11 million in 1964 and to \$27 million in 1967. In both cases, the overall deficit stemmed from the large imbalances with foreign countries other than the United States; in 1964 the deficit with parents and affiliates in foreign countries excluding the United States, was \$69 million which more than offset the surplus of \$58 million earned in the respondents' trade with associated companies in the United States. Similarly, in 1967, the \$87 million favourable balance achieved in trade with affiliates in the United States was more than countered by the \$114 million deficit incurred in trade with parents and affiliates in the other foreign countries group.

**SUMMARY TABLE 33. Current International Transactions with Parents and Affiliates in the United States and in Other Foreign Countries by Reporting Corporations Controlled in Britain, 1964 and 1967**

Item	1964				1967			
	United States	Other foreign countries	All foreign countries	United States as % of total	United States	Other foreign countries	All foreign countries	United States as % of total
	\$ mill.	\$ mill.	\$ mill.	%	\$ mill.	\$ mill.	\$ mill.	%
Transactions with parents and affiliates:								
<i>Merchandise trade:</i>								
Exports . . . . .	73	57	130	56	104	36	140	74
Imports <sup>(1)</sup> . . . . .	13	100	113	12	14	132	146	10
Balance . . . . .	+60	-43	+17	n/a	+90	-96	-6	n/a
<i>Non-merchandise trade:</i>								
Current receipts . . . . .	—	2	2	—	—	5	5	—
Dividends paid . . . . .	—	23	23	—	—	17	17	—
Other payments . . . . .	2	5	7	29	3	6	9	33
Current payments . . . . .	2	28	30	7	3	23	26	12
Balance . . . . .	-2	-26	-28	7	-3	-18	-21	14
Total current receipts . . . . .	73	59	132	55	104	41	145	72
Total current payments . . . . .	15	128	143	10	17	155	172	10
Current account balance <sup>(2)</sup> . . . . .	+58	-69	-11	n/a	+87	-114	-27	n/a

(1) Includes capital items.

(2) See footnote 2 to Summary Table 30.

#### International Transactions of Reporting Corporations Controlled in Foreign Countries Other than the United States and Britain

The reporting companies controlled in foreign countries other than the United States and Britain, show small deficits in both 1964 and 1967 on current account trading

with all foreign countries. In both years, surpluses earned in total trade with the United States were more than counter-balanced by deficits incurred in trade with other

foreign countries. In 1964, current receipts from the United States exceeded total current payments by \$48 million but there was a deficit of \$61 million in current account trade with other foreign countries which yielded a \$13 million overall deficit. Similarly in 1967, the \$52 million surplus shown in total trade with the United States was more than offset by the deficit of \$80 million in trade with other countries.

Two-way trade with parents and affiliates abroad played an important part in the international transactions of the respondents in 1964 and 1967. Commodity exports, with the United States as the largest market, amounted to \$203 million in 1964 and to \$159 million in 1967, of which some two-fifths went to associated companies in 1964, and this proportion had risen to more than three-fifths of the smaller total in 1967. The greater part of the goods imported by the respondents came from countries other than the United States, mainly from parents and

affiliates in these countries. Thus, in 1964, of the imported goods total of \$198 million, \$164 million came from associated companies abroad, and of this amount, only \$24 million from affiliates in the United States. In 1967, of the import total of \$155 million, \$123 million represented purchases from parents and affiliates abroad, with \$96 million coming from such associates in countries other than the United States. In both years, the adverse balances accruing from trade with foreign parents and affiliates outside the United States resulted in overall deficits on current account trading. In 1964, the \$138 million deficit incurred with such countries offset the \$47 million surplus earned in trade with the United States, to yield an unfavourable current account balance of \$91 million with all foreign countries; this was true in 1967 also, when the \$60 million surplus achieved in trade with affiliates in the United States was more than countered by the \$107 million deficit shown in trade with parents and affiliates in other lands, and the result was an overall deficit on current account of \$47 million.

**SUMMARY TABLE 34. Current International Transactions with the United States and with Other Foreign Countries by Reporting Corporations Controlled in Foreign Countries Other Than the United States and Britain, 1964 and 1967**

Item	1964				1967			
	United States	Other foreign countries	All foreign countries	United States as % of total	United States	Other foreign countries	All foreign countries	United States as % of total
	\$ mill.	\$ mill.	\$ mill.	%	\$ mill.	\$ mill.	\$ mill.	%
<i>Merchandise trade:</i>								
Exports .....	107	96	203	53	117	42	159	74
Imports <sup>(1)</sup> .....	53	145	198	27	57	98	155	37
Balance .....	+54	-49	+5	n/a	+60	-56	+4	n/a
<i>Non-merchandise trade:</i>								
Current receipts .....	—	10	10	—	—	10	10	—
Dividends paid .....	—	13	13	—	—	26	26	—
Other payments .....	6	9	15	40	8	8	16	50
Current payments .....	6	22	28	21	8	34	42	19
Balance .....	-6	-12	-18	33	-8	-24	-32	25
Total current receipts .....	107	106	213	50	117	52	169	69
Total current payments .....	59	167	226	26	65	132	197	33
Current account balance <sup>(2)</sup> .....	+48	-61	-13	n/a	+52	-80	-28	n/a

<sup>(1)</sup>Includes capital items.

<sup>(2)</sup>See footnote 2 to Summary Table 30.



SUMMARY TABLE 35. Current International Transactions with Parents and Affiliates in the United States and in Other Foreign Countries by Reporting Corporations Controlled in Foreign Countries Other than the United States and Britain, 1964 and 1967

Item	1964				1967			
	United States	Other foreign countries	All foreign countries	United States as % of total	United States	Other foreign countries	All foreign countries	United States as % of total
	\$ mill.	\$ mill.	\$ mill.	%	\$ mill.	\$ mill.	\$ mill.	%
Transactions with parents and affiliates:								
<i>Merchandise trade:</i>								
Exports .....	72	12	84	86	89	11	100	89
Imports <sup>(1)</sup> .....	24	140	164	15	27	96	123	22
Balance .....	+48	-128	-80	n/a	+62	-85	-23	n/a
<i>Non-merchandise trade:</i>								
Current receipts .....	—	10	10	—	—	10	10	—
Dividends paid .....	—	12	12	—	—	26	26	—
Other payments .....	1	8	9	11	2	6	8	25
Current payments .....	1	20	21	5	2	32	34	6
Balance .....	-1	-10	-11	9	-2	-22	-24	8
Total current receipts .....	72	22	94	77	89	21	110	81
Total current payments .....	25	160	185	14	29	128	157	18
Current account balance <sup>(2)</sup> .....	+47	-138	-91	n/a	+60	-107	-47	n/a

(1) Includes capital items.

(2) See footnote 2 to Summary Table 30.

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## APPENDIX I

### Survey Coverage and Technical Notes

The questionnaire requesting selected information on operations and financing was sent to non-financial corporations in Canada with assets in excess of \$5 million and which are more than 50 per cent owned by one foreign parent.

In addition to information obtained by the questionnaires supplementary data were made available, through authorization by each individual corporation, from financial statements submitted to the Business Finance Division of the Dominion Bureau of Statistics. The latter

information was used to verify and interpret the information received directly by questionnaire. Participation in the survey by the corporations is on a voluntary basis.

Completed returns for 326 corporations were received for each of the four years, 1964 to 1967, one additional corporation reported from 1965 on and six more began reporting in 1967, to bring the 1967 total to 333. The statistics contained in the report cover only the 326 corporations reporting for all years.

The data shown for 1964 and 1965 differ from those shown in the previous report, partly because of the inclusion of some corporations omitted previously, and partly because of revisions.

Industry classification <sup>(1)</sup>		Industry group in this report
051-059	Metal mines .....	Mining and primary metals
071-079	Non-metal mines .....	
083-087	Quarries and sand pits .....	
092-099	Other services incidental to mining .....	
291-298	Primary metals .....	
061-066	Mineral fuels .....	Gas and oil
365-369	Petroleum and coal products .....	
301-309	Metal fabricating .....	Machinery and metal fabricating
311-318	Machinery .....	
321-329	Transportation equipment (including automotive equipment) .....	Transportation equipment
331-339	Electrical products .....	Electrical products
371-379	Chemicals and chemical products .....	Chemical products
101-147	Food and beverages .....	Food and beverage
031	Logging .....	Pulp and paper
251-259	Wood .....	
261-268	Furniture and fixtures .....	
271-274	Pulp and paper .....	
151-153	Tobacco products .....	Other manufacturing
161-169	Rubber .....	
172-179	Leather .....	
183-229	Textile .....	
231-239	Knitting mills .....	
242-249	Clothing .....	
286-289	Printing, publishing .....	
381-399	Miscellaneous manufacturing .....	
602-629	Wholesale trade .....	Wholesale trade
404-421	Construction .....	Other non-manufacturing
501-579	Transportation, communication and other utilities ..	
631-699	Retail trade .....	
851-899	Community, business and personal service .....	

<sup>(1)</sup>Standard Industrial Classification Manual, DBS, 1960, 12-501.



The data shown in this report on an annual basis include information on the operations of corporations whose fiscal years end between May 1st of one year and April 30th of the following year. This is slightly different from the basis used in the previous report when the return of a corporation was allocated to the calendar year in which the majority of the months appeared. Since most of the reporting corporations have fiscal years ending December 31st, only minor changes resulted from this shift which involved only six returns.

The changes described above, however, do preclude comparisons between the data in this report and data in the previous one. The data in this report are comparable for the four years shown, 1964, 1965, 1966 and 1967.

The information reported by the corporations concerning their financing was submitted on a calendar year quarterly basis, and the problem of conflicting fiscal and calendar years did not arise. This does mean that the data on trading operations covers a slightly different period than those on financing.

The industry classifications used in this report were developed from the Standard Industrial Classification established by the Dominion Bureau of Statistics for use in production statistics and adapted for presenting corporation financial statistics. As a result they contain certain

#### Number of Respondents by Industry, 1964 to 1967, and 1967

Industry group	Number of respondents	
	1964 to 1967	1967
Mining and primary metals . . . . .	27	29
Gas and oil . . . . .	24	24
Machinery and metal fabricating . . . . .	45	46
Transportation equipment . . . . .	19	20
Electrical products . . . . .	26	26
Chemical products . . . . .	34	33
Food and beverage . . . . .	37	39
Pulp and paper . . . . .	27	27
Other manufacturing . . . . .	30	30
Wholesale trade . . . . .	21	21
Other non-manufacturing . . . . .	36	38
<b>Total . . . . .</b>	<b>326</b>	<b>333</b>

A few of the reporting corporations are large enough to dominate certain financial aspects of an entire industry group. As a result, some of the data shown for an industry group may actually reflect an extraordinary transaction by one such corporation rather than the transactions of the majority of corporations included in that industry group.

One other point should be noted. A number of the respondents included the operations of subsidiary companies in their returns so that the number of companies covered by the data is far larger than the 333 reporting

shortcomings for these purposes and should be considered as only rough indicators of the nature of the businesses involved. The following tables show the industries covered in each of the groups and the number of reporting corporations classified to each group. It should be noted that the classification to which a respondent was assigned for 1964 was retained in each successive year.

In this report the trading world is divided into three regions, the United States, other foreign countries and Canada. In the section dealing with reporting corporations by country of control those controlled in Britain are shown separately. Merchandise and non-merchandise transactions are reported as between the surveyed corporations and the three regions.

The merchandise transactions are broadly defined and refer to business transactions involving sales and purchases of goods. In most cases the returns reported the actual amounts received or paid. In the latter cases, the purchase costs might include the tariffs, sales taxes and transportation charges involved as well as the price of the merchandise itself. This aspect is discussed more fully in the explanation of "current account balance" as used in the report. The questionnaire asked for information on the purchase of capital items as distinct from trade merchandise but, as many of the returns did not break this item out separately, most tabulations show only total purchases and total imports, covering both merchandise and capital equipment.

corporations. In 1967, for example, there were 155 returns which covered the operations of 639 subsidiary or associated companies, so these returns represented a total of 794 companies. The other 178 returns covered only the activities of the respondent, i.e. of 178 companies. Thus, in total, the 333 returns covered the financial operations of 972 individual companies in 1967. The 326 respondents whose returns are tabulated for the four years, 1964 to 1967, covered the financial transactions of 962 individual companies.





MINISTER OF TRADE AND COMMERCE  
LE MINISTRE DU COMMERCE  
CANADA

OTTAWA 4      March 31, 1966

LETTER FROM THE HONOURABLE ROBERT H. WINTERS  
TO SUBSIDIARIES IN CANADA OF FOREIGN COMPANIES  
TABLED IN THE HOUSE OF COMMONS ON MARCH 31, 1966.

The Government has been giving a good deal of attention to the need for the best possible performance from the Canadian economy and to the contribution in this regard of the many Canadian companies which are subsidiaries of foreign parents or are largely foreign-owned. Such companies have responsibilities both to their parent companies and to the country in which they operate.

I have concluded that a statement of what is expected of subsidiary companies as regards their responsibilities to the Canadian community would be of benefit to all concerned.

To fulfil its responsibilities as a good citizen, a company seeks to perfect its performance through the vigorous pursuit of available market opportunities and the efficient use of its resources and, in so doing, contributes to the sound development of the community in which it operates.

In the pursuit of this end, subsidiaries of foreign companies enjoy the backing of their parent companies through the provision of financial, managerial, technological and research assistance, along with other forms of support which might not otherwise be available. At the same time, the fact of foreign control leaves the subsidiaries open to external influences which may not always be consistent with their own best interests and those of the Canadian community at large. Such a company may lack the decision-making authority to pursue policies in line with the opportunities afforded within the growing national community and otherwise to develop the full potential of the Canadian operation.



Subsidiaries of foreign companies occupy a prominent position in the Canadian economy. They have contributed greatly to Canada's development in the past and their role in the future is no less challenging. In a more interdependent world, companies with foreign affiliates have an increasingly important role in the international exchange of goods, services, technology and ideas.

The Canadian Government is desirous that subsidiaries be free to develop their full potential within the Canadian community. In this regard it is most important that subsidiaries should not have restrictive limitations placed upon their sound development by their parent organizations.

This objective can be made more difficult if foreign Governments introduce measures which affect the financial or commercial policy of parent companies or seek to influence them in their relations with their foreign subsidiaries.

In the case of the United States balance of payments programme, the authorities in that country have made quite clear, as indicated in the communique of the recent meeting of the Joint United States-Canadian Committee on Trade and Economic Affairs, that the "United States Government was not requesting United States corporations to induce their Canadian subsidiaries to act in any ways that differed from their normal business practices as regards the repatriation of earnings, purchasing and sales policies, or their other financial and commercial activities". The United States authorities have, in fact, re-emphasized the view that "United States subsidiaries abroad should behave as good citizens of the country where they are located".

I am confident that this also would be the view of the Governments of other countries whose companies have subsidiaries in Canada.

I believe it timely and useful therefore to set forth, particularly for the benefit of subsidiary companies, some basic principles of good corporate citizenship in Canada. I trust that these principles will be regarded as helpful by your company.

#### SOME GUIDING PRINCIPLES OF GOOD CORPORATE BEHAVIOUR FOR SUBSIDIARIES IN CANADA OF FOREIGN COMPANIES

Desirable objectives include the following:—

- 1) Pursuit of sound growth and full realization of the company's productive potential thereby sharing the national objective of full and effective use of the nation's resources.

- 2) Realization of maximum competitiveness through the most effective use of the company's own resources, recognizing the desirability of progressively achieving appropriate specialization of productive operations within the internationally affiliated group of companies.
- 3) Maximum development of market opportunities in other countries as well as in Canada.
- 4) Where applicable, to extend processing of natural resource products to the extent practicable on an economic basis.
- 5) Pursuit of a pricing policy designed to assure a fair and reasonable return to the company and to Canada for all goods and services sold abroad, including sales to the parent company and other foreign affiliates.
- 6) In matters of procurement, to search out and develop economic sources of supply in Canada.
- 7) To develop as an integral part of the Canadian operation wherever practicable, the technological, research and design capability necessary to enable the company to pursue appropriate product development programmes so as to take full advantage of market opportunities domestically and abroad.
- 8) Retention of a sufficient share of earnings to give appropriate financial support to the growth requirements of the Canadian operation, having in mind a fair return to shareholders on capital invested.
- 9) To work toward a Canadian outlook within management, through purposeful training programmes, promotion of qualified Canadian personnel and inclusion of a major proportion of Canadian citizens on its Board of Directors.
- 10) To have the objective of a financial structure which provides opportunity for equity participation in the Canadian enterprise by the Canadian public.
- 11) Periodically to publish information on the financial position and operations of the company.
- 12) To give appropriate attention and support to recognized national objectives and established Government programmes designed to further Canada's economic development and to encourage and support Canadian institutions directed toward the intellectual, social and cultural advancement of the community.

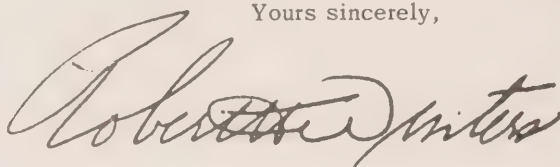
In setting forth the foregoing principles of good corporate behaviour, I recognize that there is already widespread adherence to such principles among subsidiary companies in Canada both in spirit and in deed. However, to the extent that these principles are not already applied, subsidiary companies are urged to work purposefully and constructively toward their application, as circumstances permit.

I would like also to tell you of my intention to seek the co-operation of large and medium sized subsidiary companies in providing periodically information, on a confidential basis, relating to certain aspects of their operations and financing. In this way the Government will gain a clearer insight into the contribution of Canadian subsidiaries to the Canadian economy.

Questionnaire forms providing a full explanation of the information being sought will be circulated within the next few weeks. I hope that prompt and careful attention will be given this request for information.

Thank you for your co-operation.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Robert H. Winters". The signature is fluid and cursive, with the first name "Robert" being more prominent and the last name "Winters" following in a similar style.

Robert H. Winters.



DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE

SELECTED INFORMATION ON COMPANIES IN CANADA  
WHOLLY OR LARGELY FOREIGN-OWNED

**IMPORTANT:** The information requested in this return will be used primarily within the collecting agency to analyze company and industry trends but on occasion may be used on a limited basis, by the Departments of Industry, Trade and Commerce, Finance, and by the Bank of Canada in dealing with matters of concern to them relating to points covered in the guiding principles. Such information will be available only to certain authorized officials in the Bank and the above Departments and they will be under obligation to maintain its confidentiality.

Name of company:

Nature of business:

Mailing address:

Address of principal office in Canada: - If same as above check ☐

Name of parent

Country of incorporation of parent:

INSTRUCTIONS

This report to be filled in for annual periods seeks operational information such as sales, expenses and profits divided between certain types of foreign and domestic transactions and is intended primarily to help evaluate the economic contribution of foreign-owned companies to Canadian development. Data of this kind will contribute to a fuller understanding of the role of subsidiaries of foreign companies in the Canadian economy.

It is hoped that most of the information requested can be provided within your existing accounting framework. If this is not the case please provide your best estimate or aggregate items where necessary.

**Specific**

- (a) **Sales** should be at the valuation shown in the company accounts. In the case of sales to non-residents include both sales made directly and those made through an agent or broker. Sales to non-residents should include both goods produced or processed in Canada and those items re-exported that had previously been imported in the same form.
- (b) **Royalties** - Include copyrights, patents and all similar items.
- (c) **Scientific research and Development** - Include scientific research, product and process development research, and any salaries and wages incurred for these purposes.
- (d) **Purchase of Merchandise** should be at the valuation shown in the company accounts. If at all possible these should show separately materials and components and goods for re-sale. If this is not possible the two items may be aggregated. Purchases from non-residents should include items purchased through a broker or dealer as well as those purchased directly.

If possible consolidate with accounts of all Canadian subsidiaries and attach list of names of such subsidiaries. In this list indicate those corporations excluded from the Corporation Financial Statements Consolidation and indicate "Reports separately" if such is the case.

If you have any Canadian subsidiaries whose assets exceeded \$1 million at the latest fiscal year end and which are not covered in this report, attach list.

Any queries in regard to these forms should be directed to the Corporation Returns Division, Investment Analysis Branch, Department of Industry, Trade and Commerce, Ottawa. Telephone 995-8923.

Chief, Corporation Returns Division, Telephone 995-7722.

or

Director, Investment Analysis Branch, Telephone 992-3847.

The report should be submitted within 60 days of receipt of this request.

COMPLETED RETURNS SHOULD BE SENT TO: Corporation Returns Division,  
Investment Analysis Branch,  
Office of Economics,  
Department of Industry, Trade and Commerce,  
Ottawa, Ontario.

**Comment**

Please explain the nature of any special transactions or changes in dividend policy, accounting practices or corporate structure that would aid in the interpretation of this report.

Name (print):	Position:	Telephone No.
Signature:		Date:

Cal. yr.		Ctl.	Fis. yr.		Mth.	
11	12	13	14	15	16	17
For fiscal year ending: (Month) (Year)						

	FROM OR TO PARENT, SUBSIDIARIES AND AFFILIATES IN		FROM OR TO ALL OTHER NON-RESIDENTS IN		FROM OR TO SOURCES IN CANADA	TOTAL	For Dept. use only			
	U.S.A.	Other foreign countries	U.S.A.	Other foreign countries						
(Express all amounts in thousands of Canadian Dollars)										
INCOME:										
1. Sales or principal revenue..... 01										
2. Dividends..... 02 A										
3. Interest ..... 02 B										
4. Royalties..... 03 A										
5. Management and administration fees ..... 03 B										
6. Rent on property & equipment .. 04 A										
7. Scientific research and develop- ment ..... 04 B										
8. Balance of other income ..... 05										
9. Total income ..... 06										
EXPENSES:										
1. Purchase of merchandise:										
(a) Materials & components ..... 07										
(b) Goods for re-sale ..... 08 A										
(c) Total purchases ..... 07 + 08 A										
2. Salaries & wages ..... 08 B										
3. Interest ..... 09 A										
4. Royalties ..... 09 B										
5. Management, administrative & directors fees ..... 10 A										
6. Rent on property & equipment .. 10 B										
7. Scientific research & develop- ment ..... 11 A										
8. Other expenses including balance of cost of sales and inventory adjustment (specify major items) 11 B										
9. Provision for depreciation, depletion & amortization ..... 12 A										
10. Provision for income tax ..... 12 B										
11. Other provisions or reserves charged to expenses ..... 12 C										
12. Total expenses ..... 12 D										
13. Net profit ..... 12 E										
OTHER ITEMS										
1. Dividends declared ..... 13 A										
2. Capital purchases of machinery and equipment ..... 13 B										
Edited	Date				A	B	C	D	E	F

SELECTED INFORMATION ON COMPANIES IN CANADA  
WHOLLY OR LARGELY FOREIGN-OWNED

IMPORTANT

The information requested in this return will be used primarily within the collecting agency to analyze company and industry trends but on occasion may be used on a limited basis, by the Departments of Industry, Trade and Commerce, Finance, and by the Bank of Canada in dealing with matters of concern to them relating to points covered in the guiding principles. Such information will be available only to certain authorized officials in the Bank and the above Departments and they will be under obligation to maintain its confidentiality.

Name of Company:

Nature of business:

Mailing address:

Address of principal office in Canada - If same as above check ☐

Name of parent:

Country of incorporation of parent:

INSTRUCTIONS

This report to be completed for quarterly periods is designed to provide information on changes in patterns of financing and, in particular, on any significant shift between domestic and foreign sources of financing. In addition to the selected financial data requested in this questionnaire, companies are also asked to submit a copy of the "Quarterly Survey, Financial Statistics" return sent to the Business Finance Division of the Dominion Bureau of Statistics, or alternately, to grant permission to obtain a copy of the return from the Business Finance Division. We have been anxious to limit the burden of the provision of information by companies and your co-operation with respect to the release of the Quarterly Survey return, will contribute to this end.

I authorize the Dominion Bureau of Statistics to release to the Department of Industry, Trade and Commerce, for the purposes outlined above, copies of the "Quarterly Survey, Corporation Financial Statements" beginning with 4th quarter 1964 and for subsequent quarters until I further advise you in writing.

Name

Position

Date

THIS REPORT IS FOR THE END OF YOUR THREE-MONTH PERIOD\*

If one of your  
fiscal periods  
ends in:

January, February or March .....  
April, May or June .....  
July, August or September .....  
October, November or December .....

Report  
figures  
dated:

First quarter  
Second quarter  
Third quarter  
Fourth quarter

If possible consolidate with accounts of all Canadian subsidiaries and attach list of names of such subsidiaries. In this list indicate those corporations excluded from the Corporation Financial Statements Consolidation and indicate "Reports separately if such is the case"

If you have any Canadian subsidiaries whose assets exceeded \$1 million at the latest fiscal year end and which are not covered in this report, attach list.

Any queries in regard to these forms should be directed to the Corporation Returns Division, Investment Analysis Branch, Department of Industry, Trade and Commerce, Ottawa. Telephone 995-8923.

Chief, Corporation Returns Division, Telephone 995-7722.

or

Director, Investment Analysis Branch. Telephone 992-3847.

The report should be submitted within 30 days of receipt of this request.

COMPLETED RETURNS SHOULD BE SENT TO: Corporation Returns Division,  
Investment Analysis Branch,  
Office of Economics,  
Department of Industry, Trade  
and Commerce,  
Ottawa, Ontario.

COMMENTS: Explain the nature of any special transactions or changes in dividend policy, accounting practices or corporate structure that would aid in the interpretation of this report.

Name of person responsible for this report: (Print)

Position:

Telephone No.

Signature:

Date:



Control	Year		Qtr.	Month	
11	12	13	14	15	16
For fiscal quarter ending: (Month) (Year)					

**NOTE**

Do not reflect in these balances any transactions with companies which are included in your consolidation.

	Geographical Allocation				For Dept. Use Only
	In U.S.A.	In Other Foreign Countries	In Canada	TOTAL	
<b>1. SELECTED ASSETS</b>	(Express all amounts in thousands of Canadian dollars) <sup>2</sup>				
Investments in and claims on parent, subsidiary or affiliated companies:					
(a) Investments in shares of subsidiaries or affiliated companies ..... (01)	(19 - 28)	(29 - 38)	(39 - 48)	(49 - 58)	
(b) Other investments in subsidiaries or affiliated companies (02)					
(c) Advances to parent, subsidiaries or affiliated companies (03)					
(d) Other claims or amounts due from parent, subsidiaries or affiliated companies ..... (04)					
<b>2. LIABILITIES:</b>					
(a) Canadian chartered bank loans (including foreign branches and agencies of banks) ..... (05)					
(b) Foreign bank loans ..... (06)					
(c) All debt owing to parent, subsidiary and affiliated companies, including trade and other payables, bonds, debentures, notes, short and long term debt (07)					
(d) Debt owing to others:					
(i) Short term loans <sup>2</sup> ..... (08)					
(ii) Bonds & debentures ..... (09)					
(iii) Other long term debt <sup>3</sup> ..... (10)					
<b>3. AMOUNT OF PAID-IN CAPITAL:</b>					
(a) Held by parent, subsidiary or affiliated companies ..... (11)					
(b) Held by others ..... (12)					
<b>4. NET DIVIDENDS PAID:<sup>4</sup></b>					
(a) To parent, subsidiary or affiliated companies ..... (13)					
Amount of 4(a) credited to investment, trade or other account ..... (14)					
(b) To others ..... (15)					

**5. AMOUNT OF TAX WITHHELD ON DIVIDENDS PAID**

\$ 59.68 .00

<sup>1</sup> Specify the currency if other than Canadian dollars.

<sup>2</sup> Paper with an original term to maturity of one year or less. Include Bankers' Acceptances.

<sup>3</sup> Long term debt refers to debt having an original term greater than one year and include amounts coming due within one year.

<sup>4</sup> Net excludes withholding tax (see item 5).

Filed:	Date:	A	B	C	D	E

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# APPENDIX III

## Current Transactions With Residents of the United States, of other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Mining and primary metals industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales . . . . .	253	111	364	396	760
Other receipts . . . . .	1	—	1	13	14
Total income. . . . .	254	111	365	409	774
Purchases of merchandise . . . . .	63	11	74	187	261
Other current expenses . . . . .	22	8	30	292	322
Total merchandise purchases and other current expenses . . . . .	85	19	104	479	583
Profit before provisions for income taxes, depreciation, etc. . . . .					192
Provisions for income taxes . . . . .					31
Provisions for depreciation, etc. . . . .					68
Total deductions . . . . .					682
Net profit. . . . .					93
Balance of income credited to retained earnings. . . . .					62
Dividends paid. . . . .	28	3	31	—	31
Capital equipment purchased . . . . .	4	—	4	36	40
<b>1965</b>					
Sales . . . . .	244	123	367	438	805
Other receipts . . . . .	—	1	1	13	15
Total income. . . . .	244	124	368	452	820
Purchases of merchandise . . . . .	74	12	86	206	292
Other current expenses . . . . .	22	7	29	298	327
Total merchandise purchases and other current expenses . . . . .	96	19	115	504	620
Profit before provisions for income taxes, depreciation, etc. . . . .					201
Provisions for income taxes . . . . .					39
Provisions for depreciation, etc. . . . .					69
Total deductions . . . . .					727
Net profit. . . . .					93
Balance of income credited to retained earnings . . . . .					63
Dividends paid. . . . .	24	4	28	1	29
Capital equipment purchased . . . . .	2	—	2	57	59

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967—Continued

In millions of dollars

Mining and primary metals industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales .....	263	126	389	484	873
Other receipts .....	—	—	1	20	21
Total income .....	263	126	390	504	894
Purchases of merchandise .....	71	13	84	249	333
Other current expenses .....	22	7	29	331	360
Total merchandise purchases and other current expenses .....	93	20	113	580	693
Profit before provisions for income taxes, depreciation, etc. ....					201
Provisions for income taxes .....					38
Provisions for depreciation, etc. ....					73
Total deductions .....					804
Net profit. ....					90
Balance of income credited to retained earnings .....					68
Dividends paid .....	17	4	21	1	21
Capital equipment purchased .....	4	—	4	70	74
<b>1967</b>					
Sales .....	288	107	395	464	859
Other receipts .....	—	5	6	20	26
Total income .....	288	113	401	484	885
Purchases of merchandise .....	75	9	84	225	309
Other current expenses .....	25	8	33	366	399
Total merchandise purchases and other current expenses .....	100	17	117	591	708
Profit before provisions for income taxes, depreciation, etc. ....					177
Provisions for income taxes .....					35
Provisions for depreciation, etc. ....					78
Total deductions .....					821
Net profit. ....					64
Balance of income credited to retained earnings .....					36
Dividends paid .....	22	4	26	1	27
Capital equipment purchased .....	9	1	10	58	69

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Gas and oil industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales . . . . .	316	26	342	2,603	2,945
Other receipts . . . . .	2	12	14	83	98
Total income . . . . .	318	38	357	2,686	3,043
Purchases of merchandise . . . . .	90	288	378	1,133	1,510
Other current expenses . . . . .	37	5	42	1,027	1,069
Total merchandise purchases and other current expenses . . . . .	127	293	420	2,160	2,579
Profit before provisions for income taxes, depreciation, etc. . . . .					464
Provisions for income taxes . . . . .					52
Provisions for depreciation, etc. . . . .					207
Total deductions . . . . .					2,838
Net profit . . . . .					204
Balance of income credited to retained earnings . . . . .					109
Dividends paid . . . . .	65	7	72	24	96
Capital equipment purchased . . . . .	2	—	2	136	139
<b>1965</b>					
Sales . . . . .	322	29	351	2,827	3,178
Other receipts . . . . .	5	14	19	113	132
Total income . . . . .	327	43	370	2,940	3,309
Purchases of merchandise . . . . .	95	311	406	1,236	1,641
Other current expenses . . . . .	46	4	50	1,091	1,141
Total merchandise purchases and other current expenses . . . . .	141	315	456	2,327	2,782
Profit before provisions for income taxes, depreciation, etc. . . . .					527
Provisions for income taxes . . . . .					60
Provisions for depreciation, etc. . . . .					221
Total deductions . . . . .					3,063
Net profit . . . . .					246
Balance of income credited to retained earnings . . . . .					139
Dividends paid . . . . .	68	13	81	26	107
Capital equipment purchased . . . . .	5	—	5	163	169

Note: Totals may not add exactly, due to rounding.



# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967 – Continued

In millions of dollars

Gas and oil industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales . . . . .	371	29	400	3,012	3,412
Other receipts . . . . .	3	17	20	112	132
Total income . . . . .	374	46	420	3,125	3,544
Purchases of merchandise . . . . .	109	308	417	1,338	1,756
Other current expenses . . . . .	49	4	53	1,153	1,207
Total merchandise purchases and other current expenses . . . . .	158	312	471	2,492	2,962
Profit before provisions for income taxes, depreciation, etc. . . . .					582
Provisions for income taxes . . . . .					79
Provisions for depreciation, etc. . . . .					234
Total deductions . . . . .					3,275
Net profit . . . . .					269
Balance of income credited to retained earnings . . . . .					149
Dividends paid . . . . .	73	19	92	28	120
Capital equipment purchased . . . . .	12	—	12	252	264
<b>1967</b>					
Sales . . . . .	402	51	453	3,315	3,768
Other receipts . . . . .	4	15	19	117	136
Total income . . . . .	405	67	472	3,431	3,904
Purchases of merchandise . . . . .	115	336	451	1,548	1,998
Other current expenses . . . . .	63	14	77	1,198	1,275
Total merchandise purchases and other current expenses . . . . .	178	350	528	2,745	3,273
Profit before provisions for income taxes, depreciation, etc. . . . .					630
Provisions for income taxes . . . . .					94
Provisions for depreciation, etc. . . . .					249
Total deductions . . . . .					3,617
Net profit . . . . .					287
Balance of income credited to retained earnings . . . . .					156
Dividends paid . . . . .	78	22	100	32	131
Capital equipment purchased . . . . .	15	3	18	237	255

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Machinery and metal fabricating industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales . . . . .	52	47	99	1,013	1,112
Other receipts . . . . .	1	1	2	30	32
Total income . . . . .	53	48	101	1,042	1,144
Purchases of merchandise . . . . .	199	26	225	355	580
Other current expenses . . . . .	20	2	22	370	392
Total merchandise purchases and other current expenses . . . . .	219	28	247	725	972
Profit before provisions for income taxes, depreciation, etc. . . . .					171
Provisions for income taxes . . . . .					61
Provisions for depreciation, etc. . . . .					53
Total deductions . . . . .					1,086
Net profit . . . . .					57
Balance of income credited to retained earnings . . . . .					28
Dividends paid . . . . .	29	1	30	—	30
Capital equipment purchased . . . . .	19	1	20	31	51
<b>1965</b>					
Sales . . . . .	61	36	97	1,132	1,229
Other receipts . . . . .	1	1	2	35	37
Total income . . . . .	62	37	99	1,167	1,267
Purchases of merchandise . . . . .	228	25	253	390	643
Other current expenses . . . . .	22	2	24	414	437
Total merchandise purchases and other current expenses . . . . .	249	27	276	804	1,080
Profit before provisions for income taxes, depreciation, etc. . . . .					186
Provisions for income taxes . . . . .					66
Provisions for depreciation, etc. . . . .					58
Total deductions . . . . .					1,205
Net profit . . . . .					62
Balance of income credited to retained earnings . . . . .					32
Dividends paid . . . . .	28	1	29	1	30
Capital equipment purchased . . . . .	28	4	32	40	72

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967—Continued

In millions of dollars

Machinery and metal fabricating industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales . . . . .	93	49	142	1,264	1,406
Other receipts . . . . .	1	1	2	39	41
Total income . . . . .	94	50	144	1,303	1,447
Purchases of merchandise . . . . .	265	34	299	437	736
Other current expenses . . . . .	27	2	29	492	521
Total merchandise purchases and other current expenses . . . . .	292	35	328	929	1,257
Profit before provisions for income taxes, depreciation, etc. . . . .					191
Provisions for income taxes . . . . .					67
Provisions for depreciation, etc. . . . .					59
Total deductions . . . . .					1,382
Net profit . . . . .					65
Balance of income credited to retained earnings . . . . .					27
Dividends paid . . . . .	38	—	38	—	38
Capital equipment purchased . . . . .	57	16	73	45	118
<b>1967</b>					
Sales . . . . .	119	56	175	1,305	1,479
Other receipts . . . . .	1	1	2	26	28
Total income . . . . .	120	57	177	1,331	1,508
Purchases of merchandise . . . . .	252	45	297	416	713
Other current expenses . . . . .	32	2	34	554	588
Total merchandise purchases and other current expenses . . . . .	284	47	331	970	1,301
Profit before provisions for income taxes, depreciation, etc. . . . .					206
Provisions for income taxes . . . . .					64
Provisions for depreciation, etc. . . . .					75
Total deductions . . . . .					1,440
Net profit . . . . .					67
Balance of income credited to retained earnings . . . . .					53
Dividends paid . . . . .	13	1	14	—	14
Capital equipment purchased . . . . .	63	19	82	48	130

Note: Totals may not add exactly, due to rounding.



# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Transportation equipment industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales .....	253	122	375	2,240	2,615
Other receipts .....	1	14	15	18	33
Total income .....	255	135	390	2,258	2,648
Purchases of merchandise .....	630	46	676	838	1,514
Other current expenses .....	34	1	35	769	804
Total merchandise purchases and other current expenses .....	664	47	711	1,607	2,318
Profit before provisions for income taxes, depreciation, etc. ....					330
Provisions for income taxes .....					100
Provisions for depreciation, etc. ....					127
Total deductions .....					2,545
Net profit .....					104
Balance of income credited to retained earnings .....					83
Dividends paid .....	18	1	19	2	21
Capital equipment purchased .....	32	7	39	76	115
<b>1965</b>					
Sales .....	390	111	501	2,802	3,303
Other receipts .....	4	7	11	38	48
Total income .....	393	118	512	2,839	3,351
Purchases of merchandise .....	957	48	1,005	882	1,887
Other current expenses .....	49	1	50	1,026	1,076
Total merchandise purchases and other current expenses .....	1,006	49	1,055	1,908	2,963
Profit before provisions for income taxes, depreciation, etc. ....					388
Provisions for income taxes .....					116
Provisions for depreciation, etc. ....					175
Total deductions .....					3,255
Net profit .....					96
Balance of income credited to retained earnings .....					27
Dividends paid .....	66	1	67	2	69
Capital equipment purchased .....	76	1	77	117	194

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967 Continued

In millions of dollars

Transportation equipment industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales . . . . .	963	98	1,061	2,802	3,863
Other receipts . . . . .	4	16	20	39	59
Total income . . . . .	967	114	1,081	2,841	3,922
Purchases of merchandise . . . . .	1,323	59	1,382	1,071	2,452
Other current expenses . . . . .	59	1	60	1,071	1,131
Total merchandise purchases and other current expenses . . . . .	1,381	61	1,442	2,141	3,584
Profit before provisions for income taxes, depreciation, etc. . . . .					338
Provisions for income taxes . . . . .					78
Provisions for depreciation, etc. . . . .					166
Total deductions . . . . .					3,828
Net profit . . . . .					94
Balance of income credited to retained earnings . . . . .					-14
Dividends paid . . . . .	106	—	106	2	108
Capital equipment purchased . . . . .	63	1	64	135	199
<b>1967</b>					
Sales . . . . .	1,634	114	1,748	2,895	4,643
Other receipts . . . . .	10	12	22	49	71
Total income . . . . .	1,644	125	1,769	2,944	4,713
Purchases of merchandise . . . . .	1,835	63	1,898	1,095	2,993
Other current expenses . . . . .	112	1	113	1,238	1,352
Total merchandise purchases and other current expenses . . . . .	1,947	64	2,012	2,333	4,345
Profit before provisions for income taxes, depreciation, etc. . . . .					369
Provisions for income taxes . . . . .					96
Provisions for depreciation, etc. . . . .					160
Total deductions . . . . .					4,600
Net profit . . . . .					113
Balance of income credited to retained earnings . . . . .					92
Dividends paid . . . . .	19	—	19	2	21
Capital equipment purchased . . . . .	67	1	68	123	191

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Electrical products industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales . . . . .	34	56	90	872	962
Other receipts . . . . .	1	—	1	16	17
Total income . . . . .	35	56	91	888	979
Purchases of merchandise . . . . .	120	28	148	344	492
Other current expenses . . . . .	9	3	12	379	391
Total merchandise purchases and other current expenses . . . . .	129	31	160	723	884
Profit before provisions for income taxes, depreciation, etc. . . . .					95
Provisions for income taxes . . . . .					33
Provisions for depreciation, etc. . . . .					31
Total deductions . . . . .					948
Net profit . . . . .					31
Balance of income credited to retained earnings . . . . .					22
Dividends paid. . . . .	8	—	8	1	9
Capital equipment purchased. . . . .	3	2	5	17	22
<b>1965</b>					
Sales . . . . .	45	56	101	978	1,079
Other receipts . . . . .	1	—	1	19	20
Total income . . . . .	46	56	102	998	1,100
Purchases of merchandise . . . . .	141	30	171	376	548
Other current expenses . . . . .	11	4	15	426	441
Total merchandise purchases and other current expenses . . . . .	152	35	187	802	989
Profit before provisions for income taxes, depreciation, etc. . . . .					111
Provisions for income taxes. . . . .					40
Provisions for depreciation, etc. . . . .					31
Total deductions . . . . .					1,060
Net profit. . . . .					40
Balance of income credited to retained earnings . . . . .					23
Dividends paid. . . . .	15	1	16	1	17
Capital equipment purchased. . . . .	4	1	5	29	34

Note: Totals may not add exactly, due to rounding.



# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967 — Continued

In millions of dollars

Electrical products industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales . . . . .	77	46	123	1,125	1,248
Other receipts . . . . .	1	—	1	17	18
Total income . . . . .	78	46	124	1,142	1,266
Purchases of merchandise . . . . .	178	24	202	439	641
Other current expenses . . . . .	16	1	17	476	493
Total merchandise purchases and other current expenses . . . . .	194	26	220	915	1,135
Profit before provisions for income taxes, depreciation, etc. . . . .					132
Provisions for income taxes . . . . .					47
Provisions for depreciation, etc. . . . .					36
Total deductions . . . . .					1,218
Net profit . . . . .					48
Balance of income credited to retained earnings . . . . .					32
Dividends paid . . . . .	14	1	15	2	17
Capital equipment purchased . . . . .	11	—	12	42	53
<b>1967</b>					
Sales . . . . .	98	63	161	1,153	1,314
Other receipts . . . . .	1	—	1	18	19
Total income . . . . .	99	63	162	1,171	1,333
Purchases of merchandise . . . . .	179	33	212	472	684
Other current expenses . . . . .	16	2	18	510	528
Total merchandise purchases and other current expenses . . . . .	195	35	230	982	1,212
Profit before provisions for income taxes, depreciation, etc. . . . .					121
Provisions for income taxes . . . . .					36
Provisions for depreciation, etc. . . . .					41
Total deductions . . . . .					1,289
Net profit . . . . .					44
Balance of income credited to retained earnings . . . . .					22
Dividends paid . . . . .	19	1	20	2	22
Capital equipment purchased . . . . .	8	1	9	57	66

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Chemical products industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales . . . . .	68	41	109	1,011	1,120
Other receipts . . . . .	—	4	4	6	9
Total income . . . . .	68	44	112	1,017	1,129
Purchases of merchandise . . . . .	166	18	184	332	516
Other current expenses . . . . .	20	2	22	405	427
Total merchandise purchases and other current expenses . . . . .	187	20	207	737	943
Profit before provisions for income taxes, depreciation, etc. . . . .					186
Provisions for income taxes . . . . .					65
Provisions for depreciation, etc. . . . .					54
Total deductions . . . . .					1,062
Net profit . . . . .					67
Balance of income credited to retained earnings . . . . .					-30
Dividends paid . . . . .	86	10	96	—	96
Capital equipment purchased . . . . .	4	1	5	54	59
<b>1965</b>					
Sales . . . . .	64	37	101	1,116	1,217
Other receipts . . . . .	1	5	6	9	15
Total income . . . . .	65	42	107	1,125	1,232
Purchases of merchandise . . . . .	184	20	204	363	566
Other current expenses . . . . .	21	3	24	443	467
Total merchandise purchases and other current expenses . . . . .	205	23	228	806	1,034
Profit before provisions for income taxes, depreciation, etc. . . . .					198
Provisions for income taxes . . . . .					62
Provisions for depreciation, etc. . . . .					63
Total deductions . . . . .					1,158
Net profit . . . . .					73
Balance of income credited to retained earnings . . . . .					29
Dividends paid . . . . .	33	9	42	2	44
Capital equipment purchased . . . . .	7	2	9	105	114

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967—Continued

In millions of dollars

Chemical products industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales . . . . .	98	27	125	1,212	1,337
Other receipts . . . . .	2	5	7	10	16
Total income . . . . .	100	32	132	1,222	1,354
Purchases of merchandise . . . . .	171	25	196	417	613
Other current expenses . . . . .	24	3	27	510	537
Total merchandise purchases and other current expenses . . . . .	196	28	223	927	1,150
Profit before provisions for income taxes, depreciation, etc. . . . .					204
Provisions for income taxes . . . . .					67
Provisions for depreciation, etc. . . . .					64
Total deductions . . . . .					1,281
Net profit . . . . .					73
Balance of income credited to retained earnings . . . . .					32
Dividends paid . . . . .	29	9	38	2	41
Capital equipment purchased . . . . .	7	—	7	108	115
<b>1967</b>					
Sales . . . . .	76	23	99	1,277	1,377
Other receipts . . . . .	1	5	5	11	16
Total income . . . . .	77	27	104	1,288	1,393
Purchases of merchandise . . . . .	170	32	202	435	637
Other current expenses . . . . .	25	3	28	533	561
Total merchandise purchases and other current expenses . . . . .	195	35	231	968	1,199
Profit before provisions for income taxes, depreciation, etc. . . . .					194
Provisions for income taxes . . . . .					60
Provisions for depreciation, etc. . . . .					71
Total deductions . . . . .					1,329
Net profit . . . . .					63
Balance of income credited to retained earnings . . . . .					18
Dividends paid . . . . .	34	10	44	2	46
Capital equipment purchased . . . . .	7	—	7	103	110

Note: Totals may not add exactly, due to rounding.



### APPENDIX III

#### Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Food and beverage industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales . . . . .	35	108	143	1,327	1,470
Other receipts . . . . .	—	2	2	5	7
Total income . . . . .	35	110	145	1,332	1,478
Purchases of merchandise . . . . .	114	105	219	671	890
Other current expenses . . . . .	13	4	17	437	454
Total merchandise purchases and other current expenses . . . . .	126	110	236	1,109	1,345
Profit before provisions for income taxes, depreciation, etc. . . . .					133
Provisions for income taxes . . . . .					54
Provisions for depreciation, etc. . . . .					26
Total deductions . . . . .					1,424
Net profit . . . . .					53
Balance of income credited to retained earnings . . . . .					28
Dividends paid . . . . .	19	5	24	1	25
Capital equipment purchased . . . . .	2	1	3	28	31
<b>1965</b>					
Sales . . . . .	32	102	134	1,366	1,500
Other receipts . . . . .	—	2	2	6	8
Total income . . . . .	32	104	137	1,371	1,508
Purchases of merchandise . . . . .	119	78	197	686	884
Other current expenses . . . . .	13	2	15	475	490
Total merchandise purchases and other current expenses . . . . .	133	79	212	1,161	1,373
Profit before provisions for income taxes, depreciation, etc. . . . .					135
Provisions for income taxes . . . . .					55
Provisions for depreciation, etc. . . . .					27
Total deductions . . . . .					1,456
Net profit . . . . .					52
Balance of income credited to retained earnings . . . . .					29
Dividends paid . . . . .	22	1	23	1	24
Capital equipment purchased . . . . .	4	—	4	37	41

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967 – Continued

In millions of dollars

Food and beverage industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales .....	43	96	139	1,522	1,661
Other receipts .....	—	—	1	7	8
Total income .....	43	96	140	1,529	1,669
Purchases of merchandise .....	120	80	200	807	1,007
Other current expenses .....	15	7	22	495	517
Total merchandise purchases and other current expenses .....	135	87	222	1,302	1,524
Profit before provisions for income taxes, depreciation, etc. ....					145
Provisions for income taxes .....					59
Provisions for depreciation, etc. ....					30
Total deductions .....					1,613
Net profit .....					56
Balance of income credited to retained earnings .....					24
Dividends paid .....	30	1	31	1	32
Capital equipment purchased .....	4	—	4	33	37
<b>1967</b>					
Sales .....	36	75	111	1,571	1,682
Other receipts .....	—	1	2	7	9
Total income .....	37	76	113	1,578	1,691
Purchases of merchandise .....	122	74	196	799	995
Other current expenses .....	15	1	16	532	549
Total merchandise purchases and other current expenses .....	136	76	212	1,332	1,544
Profit before provisions for income taxes, depreciation, etc. ....					148
Provisions for income taxes .....					57
Provisions for depreciation, etc. ....					39
Total deductions .....					1,640
Net profit .....					52
Balance of income credited to retained earnings .....					19
Dividends paid .....	30	1	31	2	33
Capital equipment purchased .....	4	1	5	44	49

Note: Totals may not add exactly, due to rounding.

### APPENDIX III

#### Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Pulp and paper industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales .....	619	130	749	409	1,158
Other receipts .....	2	—	2	29	31
Total income .....	622	130	752	438	1,189
Purchases of merchandise .....	24	6	30	351	381
Other current expenses .....	28	4	32	520	551
Total merchandise purchases and other current expenses .....	52	10	62	870	932
Profit before provisions for income taxes, depreciation, etc. ....					257
Provisions for income taxes .....					90
Provisions for depreciation, etc. ....					76
Total deductions .....					1,099
Net profit .....					91
Balance of income credited to retained earnings .....					63
Dividends paid. ....	16	10	26	1	27
Capital equipment purchased .....	6	—	6	86	91
<b>1965</b>					
Sales .....	664	128	792	458	1,249
Other receipts .....	3	—	3	31	34
Total income .....	667	128	794	489	1,283
Purchases of merchandise .....	26	7	33	390	423
Other current expenses .....	34	4	39	573	612
Total merchandise purchases and other current expenses .....	60	12	72	963	1,035
Profit before provisions for income taxes, depreciation, etc. ....					248
Provisions for income taxes .....					82
Provisions for depreciation, etc. ....					82
Total deductions .....					1,200
Net profit .....					83
Balance of income credited to retained earnings .....					33
Dividends paid .....	40	9	49	1	50
Capital equipment purchased .....	6	1	7	104	111

Note: Totals may not add exactly, due to rounding.



# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967 – Continued

In millions of dollars

Pulp and paper industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales .....	706	127	833	515	1,348
Other receipts .....	2	—	2	34	36
Total income .....	708	127	835	549	1,384
Purchases of merchandise .....	26	9	35	452	487
Other current expenses .....	39	5	44	614	658
Total merchandise purchases and other current expenses .....	65	14	79	1,066	1,145
Profit before provisions for income taxes, depreciation, etc. ....					239
Provisions for income taxes .....					78
Provisions for depreciation, etc. ....					82
Total deductions .....					1,305
Net profit .....					78
Balance of income credited to retained earnings .....					42
Dividends paid .....	24	10	34	2	36
Capital equipment purchased .....	4	2	6	131	137
<b>1967</b>					
Sales .....	683	120	803	549	1,351
Other receipts .....	3	1	4	36	39
Total income .....	685	121	806	585	1,391
Purchases of merchandise .....	26	6	32	448	481
Other current expenses .....	42	6	48	673	721
Total merchandise purchases and other current expenses .....	68	12	80	1,122	1,202
Profit before provisions for income taxes, depreciation, etc. ....					189
Provisions for income taxes .....					53
Provisions for depreciation, etc. ....					83
Total deductions .....					1,338
Net profit .....					53
Balance of income credited to retained earnings .....					14
Dividends paid .....	30	6	36	2	38
Capital equipment purchased .....	6	1	7	127	134

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Other manufacturing industries	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales .....	18	61	79	901	980
Other receipts .....	1	4	5	11	16
Total income .....	19	65	84	912	996
Purchases of merchandise .....	132	22	154	312	466
Other current expenses .....	16	—	16	372	388
Total merchandise purchases and other current expenses .....	148	22	170	684	854
Profit before provisions for income taxes, depreciation, etc. ....					142
Provisions for income taxes .....					50
Provisions for depreciation, etc. ....					44
Total deductions .....					948
Net profit .....					48
Balance of income credited to retained earnings .....					27
Dividends paid .....	15	1	16	5	21
Capital equipment purchased .....	11	1	12	41	53
<b>1965</b>					
Sales .....	28	57	85	995	1,080
Other receipts .....	1	3	4	13	18
Total income .....	29	60	89	1,008	1,097
Purchases of merchandise .....	154	24	178	346	524
Other current expenses .....	17	—	17	410	427
Total merchandise purchases and other current expenses .....	170	24	195	756	951
Profit before provisions for income taxes, depreciation, etc. ....					146
Provisions for income taxes .....					50
Provisions for depreciation, etc. ....					69
Total deductions .....					1,070
Net profit .....					28
Balance of income credited to retained earnings .....					-3
Dividends paid .....	24	—	24	7	31
Capital equipment purchased .....	17	2	19	45	64

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967 – Continued

In millions of dollars

Other manufacturing industries	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales .....	36	54	90	1,087	1,177
Other receipts .....	—	5	5	16	21
Total income .....	36	59	95	1,103	1,198
Purchases of merchandise .....	143	25	168	365	533
Other current expenses .....	19	1	20	479	498
Total merchandise purchases and other current expenses .....	162	26	188	844	1,032
Profit before provisions for income taxes, depreciation, etc. ....					166
Provisions for income taxes .....					55
Provisions for depreciation, etc. ....					54
Total deductions .....					1,140
Net profit .....					58
Balance of income credited to retained earnings .....					33
Dividends paid .....	19	—	19	6	25
Capital equipment purchased .....	13	2	15	72	87
<b>1967</b>					
Sales .....	42	50	92	1,163	1,255
Other receipts .....	1	3	4	15	20
Total income .....	43	53	96	1,179	1,275
Purchases of merchandise .....	148	33	181	413	594
Other current expenses .....	19	1	20	498	518
Total merchandise purchases and other current expenses .....	167	33	200	911	1,112
Profit before provisions for income taxes, depreciation, etc. ....					164
Provisions for income taxes .....					46
Provisions for depreciation, etc. ....					60
Total deductions .....					1,218
Net profit .....					57
Balance of income credited to retained earnings .....					33
Dividends paid .....	18	1	19	6	25
Capital equipment purchased .....	24	2	26	39	65

Note: Totals may not add exactly, due to rounding.



# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Wholesale trade industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales .....	87	398	485	383	868
Other receipts .....	—	1	1	22	23
Total income .....	87	399	486	405	891
Purchases of merchandise .....	116	85	201	583	784
Other current expenses .....	3	—	3	71	74
Total merchandise purchases and other current expenses .....	119	85	204	654	858
Profit before provisions for income taxes, depreciation, etc. ....					33
Provisions for income taxes .....					12
Provisions for depreciation, etc. ....					4
Total deductions .....					875
Net profit .....					16
Balance of income credited to retained earnings .....					7
Dividends paid .....	6	3	9	—	9
Capital equipment purchased .....	1	—	1	2	3
<b>1965</b>					
Sales .....	97	433	530	426	957
Other receipts .....	—	1	1	25	26
Total income .....	97	434	531	451	982
Purchases of merchandise .....	143	93	236	636	872
Other current expenses .....	2	1	3	68	71
Total merchandise purchases and other current expenses .....	145	94	239	704	944
Profit before provisions for income taxes, depreciation, etc. ....					39
Provisions for income taxes .....					14
Provisions for depreciation, etc. ....					5
Total deductions .....					962
Net profit .....					20
Balance of income credited to retained earnings .....					10
Dividends paid .....	4	6	10	—	10
Capital equipment purchased .....	1	—	1	5	5

Note: Totals may not add exactly, due to rounding.

# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967 — Continued

In millions of dollars

Wholesale trade industry	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1966</b>					
Sales .....	127	510	637	445	1,082
Other receipts .....	—	—	—	24	24
Total income .....	127	510	637	469	1,106
Purchases of merchandise .....	152	77	229	742	971
Other current expenses .....	2	3	5	92	97
Total merchandise purchases and other current expenses .....	154	79	233	835	1,068
Profit before provisions for income taxes, depreciation, etc. ....					39
Provisions for income taxes .....					16
Provisions for depreciation, etc. ....					5
Total deductions .....					1,089
Net profit .....					17
Balance of income credited to retained earnings .....					12
Dividends paid .....	4	1	5	—	5
Capital equipment purchased .....	—	—	—	7	7
<b>1967</b>					
Sales .....	118	430	548	456	1,004
Other receipts .....	—	—	—	19	19
Total income .....	118	430	548	475	1,023
Purchases of merchandise .....	138	81	219	624	842
Other current expenses .....	2	1	3	143	146
Total merchandise purchases and other current expenses .....	140	82	222	766	988
Profit before provisions for income taxes, depreciation, etc. ....					35
Provisions for income taxes .....					14
Provisions for depreciation, etc. ....					6
Total deductions .....					1,008
Net profit .....					15
Balance of income credited to retained earnings .....					13
Dividends paid .....	—	1	1	—	2
Capital equipment purchased .....	1	—	1	4	5

Note: Totals may not add exactly, due to rounding.

### APPENDIX III

#### Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Other non-manufacturing industries	United States	Other foreign countries	All foreign countries	Canada	All countries
<b>1964</b>					
Sales . . . . .	11	4	15	1,337	1,352
Other receipts . . . . .	2	—	2	23	25
Total income . . . . .	13	4	16	1,361	1,377
Purchases of merchandise . . . . .	32	11	43	806	849
Other current expenses . . . . .	13	4	17	401	418
Total merchandise purchases and other current expenses . . . . .	45	15	60	1,208	1,267
Profit before provisions for income taxes, depreciation, etc. . . . .					110
Provisions for income taxes . . . . .					45
Provisions for depreciation, etc. . . . .					21
Total deductions . . . . .					1,333
Net profit . . . . .					44
Balance of income credited to retained earnings . . . . .					24
Dividends paid . . . . .	17	1	18	2	20
Capital equipment purchased . . . . .	1	—	1	23	24
<b>1965</b>					
Sales . . . . .	13	2	15	1,519	1,534
Other receipts . . . . .	2	—	2	29	31
Total income . . . . .	15	2	17	1,548	1,565
Purchases of merchandise . . . . .	39	22	61	935	996
Other current expenses . . . . .	12	—	12	424	436
Total merchandise purchases and other current expenses . . . . .	51	22	73	1,359	1,432
Profit before provisions for income taxes, depreciation, etc. . . . .					133
Provisions for income taxes . . . . .					53
Provisions for depreciation, etc. . . . .					28
Total deductions . . . . .					1,513
Net profit . . . . .					52
Balance of income credited to retained earnings . . . . .					38
Dividends paid . . . . .	12	—	12	2	14
Capital equipment purchased . . . . .	1	—	1	24	25

Note: Totals may not add exactly, due to rounding.



# APPENDIX III

## Current Transactions With Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1964 to 1967 – Continued

In millions of dollars

Other non-manufacturing industries	United States	Other foreign countries	All foreign countries	Canada	All countries
1966					
Sales .....	9	1	10	1,843	1,853
Other receipts .....	—	—	—	36	36
Total income .....	10	1	10	1,878	1,889
Purchases of merchandise .....	42	28	70	1,133	1,203
Other current expenses .....	7	—	7	526	533
Total merchandise purchases and other current expenses .....	49	28	77	1,659	1,736
Profit before provisions for income taxes, depreciation, etc. ....					153
Provisions for income taxes .....					64
Provisions for depreciation, etc. ....					28
Total deductions .....					1,827
Net profit .....					62
Balance of income credited to retained earnings .....					46
Dividends paid .....	13	1	14	2	16
Capital equipment purchased .....	2	—	2	36	39
1967					
Sales .....	13	1	14	1,996	2,009
Other receipts .....	—	—	—	32	32
Total income .....	13	1	14	2,027	2,041
Purchases of merchandise .....	37	20	57	1,224	1,281
Other current expenses .....	13	—	13	580	593
Total merchandise purchases and other current expenses .....	50	20	70	1,804	1,874
Profit before provisions for income taxes, depreciation, etc. ....					167
Provisions for income taxes .....					73
Provisions for depreciation, etc. ....					32
Total deductions .....					1,980
Net profit .....					62
Balance of income credited to retained earnings .....					50
Dividends paid .....	9	—	9	3	12
Capital equipment purchased .....	1	—	1	35	36

Note: Totals may not add exactly, due to rounding.

# APPENDIX IV

## Current International Transactions, All Reporting Corporations in the Mining and Primary Metals Industry, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales . . . . .	364	367	389	395
Merchandise imported . . . . .	74	86	84	84
Capital equipment imported . . . . .	4	2	4	10
Total imports . . . . .	78	88	88	94
<b>Balance on merchandise trade . . . . .</b>	<b>286</b>	<b>279</b>	<b>301</b>	<b>301</b>
Other current receipts from abroad . . . . .	1	1	1	6
Dividends paid abroad . . . . .	31	28	21	26
Other current payments abroad . . . . .	30	29	29	33
Total current payments abroad . . . . .	61	57	50	59
<b>Balance on current international non-merchandise transactions</b>	<b>-60</b>	<b>-56</b>	<b>-49</b>	<b>-53</b>
Total receipts from abroad . . . . .	365	368	390	401
Total payments abroad . . . . .	139	145	138	153
<b>Current account balance . . . . .</b>	<b>226</b>	<b>223</b>	<b>252</b>	<b>248</b>

*Note: Totals may not add exactly, due to rounding.*

## Current International Transactions, All Reporting Corporations in the Gas and Oil Industry, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales . . . . .	342	351	400	453
Merchandise imported . . . . .	378	406	417	451
Capital equipment imported . . . . .	2	5	12	18
Total imports . . . . .	380	411	429	469
<b>Balance on merchandise trade . . . . .</b>	<b>-38</b>	<b>-60</b>	<b>-29</b>	<b>-16</b>
Other current receipts from abroad . . . . .	14	19	20	19
Dividends paid abroad . . . . .	72	81	92	100
Other current payments abroad . . . . .	42	50	53	77
Total current payments abroad . . . . .	114	131	145	177
<b>Balance on current international non-merchandise transactions</b>	<b>-100</b>	<b>-112</b>	<b>-125</b>	<b>-158</b>
Total receipts from abroad . . . . .	356	370	420	472
Total payments abroad . . . . .	494	542	574	646
<b>Current account balance . . . . .</b>	<b>-138</b>	<b>-172</b>	<b>-154</b>	<b>-174</b>

*Note: Totals may not add exactly, due to rounding.*

# APPENDIX IV

## Current International Transactions, All Reporting Corporations in the Machinery and Metal Fabricating Industry, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales . . . . .	99	97	142	175
Merchandise imported . . . . .	225	253	299	297
Capital equipment imported . . . . .	20	32	73	82
Total imports . . . . .	245	285	372	379
Balance on merchandise trade . . . . .	-146	-188	-230	-204
Other current receipts from abroad . . . . .	2	2	2	2
Dividends paid abroad . . . . .	30	29	38	14
Other current payments abroad . . . . .	22	24	29	34
Total current payments abroad . . . . .	52	53	67	48
Balance on current international non-merchandise transactions	-50	-51	-65	-46
Total receipts from abroad . . . . .	101	99	144	177
Total payments abroad . . . . .	297	338	439	427
Current account balance . . . . .	-196	-239	-295	-250

Note: Totals may not add exactly, due to rounding.

## Current International Transactions, All Reporting Corporations in the Transportation Equipment Industry, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales . . . . .	375	501	1,061	1,748
Merchandise imported . . . . .	676	1,005	1,382	1,898
Capital equipment imported . . . . .	39	77	64	68
Total imports . . . . .	715	1,082	1,446	1,966
Balance on merchandise trade . . . . .	-340	-581	-385	-218
Other current receipts from abroad . . . . .	15	11	20	22
Dividends paid abroad . . . . .	19	67	106	19
Other current payments abroad . . . . .	35	50	60	113
Total current payments abroad . . . . .	54	117	166	132
Balance on current international non-merchandise transactions	-39	-106	-146	-110
Total receipts from abroad . . . . .	390	512	1,081	1,770
Total payments abroad . . . . .	769	1,199	1,612	2,098
Current account balance . . . . .	-379	-687	-531	-328

Note: Totals may not add exactly, due to rounding.

# APPENDIX IV

## Current International Transactions, All Reporting Corporations in the Electrical Products Industry, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Exports sales . . . . .	90	101	123	161
Merchandise imported . . . . .	148	171	202	212
Capital equipment imported . . . . .	5	5	12	9
Total imports . . . . .	153	176	214	221
<b>Balance on merchandise trade . . . . .</b>	<b>-63</b>	<b>-75</b>	<b>-91</b>	<b>-60</b>
Other current receipts from abroad . . . . .	1	1	1	1
Dividends paid abroad . . . . .	8	16	15	20
Other current payments abroad . . . . .	12	15	17	17
Total current payments abroad . . . . .	20	31	32	37
<b>Balance on current international non-merchandise transactions</b>	<b>-19</b>	<b>-30</b>	<b>-31</b>	<b>-36</b>
Total receipts from abroad . . . . .	91	102	124	162
Total payments abroad . . . . .	173	207	246	258
<b>Current account balance . . . . .</b>	<b>-82</b>	<b>-105</b>	<b>-122</b>	<b>-96</b>

*Note: Totals may not add exactly, due to rounding.*

## Current International Transactions, All Reporting Corporations in the Chemical Products Industry, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales . . . . .	109	101	125	99
Merchandise imported . . . . .	184	204	196	202
Capital equipment imported . . . . .	5	9	7	7
Total imports . . . . .	189	213	203	209
<b>Balance on merchandise trade . . . . .</b>	<b>-80</b>	<b>-112</b>	<b>-78</b>	<b>-110</b>
Other current receipts from abroad . . . . .	4	6	7	5
Dividends paid abroad . . . . .	96	42	38	44
Other current payments abroad . . . . .	22	24	27	28
Total current payments abroad . . . . .	118	66	65	72
<b>Balance on current international non-merchandise transactions</b>	<b>-114</b>	<b>-60</b>	<b>-58</b>	<b>-67</b>
Total receipts from abroad . . . . .	113	107	132	104
Total payments abroad . . . . .	307	279	268	281
<b>Current account balance . . . . .</b>	<b>-194</b>	<b>-172</b>	<b>-136</b>	<b>-177</b>

*Note: Totals may not add exactly, due to rounding.*



# APPENDIX IV

## Current International Transactions, All Reporting Corporations in the Food and Beverage Industry, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales . . . . .	143	134	139	111
Merchandise imported . . . . .	219	197	200	196
Capital equipment imported . . . . .	3	4	4	5
Total imports . . . . .	222	201	204	201
<b>Balance on merchandise trade . . . . .</b>	<b>-79</b>	<b>-67</b>	<b>-65</b>	<b>-90</b>
Other current receipts from abroad . . . . .	2	2	1	2
Dividends paid abroad . . . . .	24	23	31	31
Other current payments abroad . . . . .	17	15	22	16
Total current payments abroad . . . . .	41	38	53	47
<b>Balance on current international non-merchandise transactions</b>	<b>-39</b>	<b>-36</b>	<b>-52</b>	<b>-45</b>
Total receipts from abroad . . . . .	145	136	140	113
Total payments abroad . . . . .	263	239	257	248
<b>Current account balance . . . . .</b>	<b>-118</b>	<b>-103</b>	<b>-117</b>	<b>-135</b>

*Note: Totals may not add exactly, due to rounding.*

## Current International Transactions, All Reporting Corporations in the Pulp and Paper Industry, Annually 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales . . . . .	749	792	833	803
Merchandise imported . . . . .	30	33	35	32
Capital equipment imported . . . . .	6	7	6	7
Totals imports . . . . .	36	40	41	39
<b>Balance on merchandise trade . . . . .</b>	<b>713</b>	<b>752</b>	<b>792</b>	<b>764</b>
Other current receipts from abroad . . . . .	2	3	2	4
Dividends paid abroad . . . . .	26	49	34	36
Other current payments abroad . . . . .	32	39	44	48
Total current payments abroad . . . . .	58	88	78	84
<b>Balance on current international non-merchandise transactions</b>	<b>-56</b>	<b>-85</b>	<b>-76</b>	<b>-80</b>
Total receipts from abroad . . . . .	751	795	835	807
Total payments abroad . . . . .	94	128	119	123
<b>Current account balance . . . . .</b>	<b>657</b>	<b>667</b>	<b>716</b>	<b>684</b>

*Note: Totals may not add exactly, due to rounding.*

# APPENDIX IV

## Current International Transactions, All Reporting Corporations in Other Manufacturing Industries, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales .....	79	85	90	92
Merchandise imported .....	154	178	168	181
Capital equipment imported .....	12	19	15	26
Total imports .....	166	197	183	207
<b>Balance on merchandise trade .....</b>	<b>-87</b>	<b>-112</b>	<b>-93</b>	<b>-115</b>
Other current receipts from abroad .....	5	4	5	4
Dividends paid abroad .....	16	24	19	19
Other current payments abroad .....	16	17	20	20
Total current payments abroad .....	32	41	39	39
<b>Balance on current international non-merchandise transactions</b>	<b>-27</b>	<b>-37</b>	<b>-34</b>	<b>-35</b>
Total receipts from abroad .....	84	89	95	96
Total payments abroad .....	198	238	222	246
<b>Current account balance .....</b>	<b>-114</b>	<b>-149</b>	<b>-127</b>	<b>-150</b>

*Note: Totals may not add exactly, due to rounding.*

## Current International Transactions, All Reporting Corporations in the Wholesale Trade Industry, Annually, 1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales .....	485	530	637	548
Merchandise imported .....	201	236	229	219
Capital equipment imported .....	1	1	—	1
Total imports .....	202	237	229	220
<b>Balance on merchandise trade .....</b>	<b>283</b>	<b>293</b>	<b>408</b>	<b>328</b>
Other current receipts from abroad .....	1	1	—	—
Dividends paid abroad .....	9	10	5	1
Other current payments abroad .....	3	3	5	3
Total current payments abroad .....	12	13	10	4
<b>Balance on current international non-merchandise transactions</b>	<b>-11</b>	<b>-12</b>	<b>-10</b>	<b>-4</b>
Total receipts from abroad .....	486	531	637	548
Total payments abroad .....	214	250	239	224
<b>Current account balance .....</b>	<b>272</b>	<b>281</b>	<b>398</b>	<b>324</b>

*Note: Totals may not add exactly, due to rounding.*

# APPENDIX IV

Current International Transactions, All Reporting Corporations in Other Non-Manufacturing Industries, Annually,  
1964 to 1967

In millions of dollars

Item	1964	1965	1966	1967
Export sales .....	15	15	10	14
Merchandise imported .....	43	61	70	57
Capital equipment imported .....	1	1	2	1
Total imports .....	44	62	72	58
<b>Balance on merchandise trade .....</b>	<b>-29</b>	<b>-47</b>	<b>-62</b>	<b>-44</b>
Other current receipts from abroad .....	2	2	—	—
Dividends paid abroad .....	18	12	14	9
Other current payments abroad .....	17	12	7	13
Total current payments abroad .....	35	24	21	22
<b>Balance on current international non-merchandise transactions</b>	<b>-33</b>	<b>-22</b>	<b>-21</b>	<b>-22</b>
Total receipts from abroad .....	17	17	10	14
Total payments abroad .....	79	86	93	80
<b>Current account balance .....</b>	<b>-62</b>	<b>-69</b>	<b>-83</b>	<b>-66</b>

*Note: Totals may not add exactly, due to rounding.*

# APPENDIX V

## Current International Transactions With Residents of the United States and of Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Mining and primary metals industry	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	253	111	244	123	263	126	288	107
Merchandise imports . . . . .	63	11	74	12	71	13	75	9
Capital equipment imported . . . . .	4	—	2	—	4	—	9	1
Total imports . . . . .	67	11	76	12	75	13	84	10
Balance on merchandise trade . . . . .	186	100	168	111	188	113	204	97
Other current receipts . . . . .	1	—	—	1	—	—	—	6
Dividends paid . . . . .	28	3	24	4	17	4	22	4
Other current payments . . . . .	22	8	22	7	22	7	25	8
Total current payments . . . . .	50	11	46	11	39	11	47	12
Balance on non-merchandise trade . . . . .	-49	-11	-46	-10	-39	-11	-47	-6
Total receipts . . . . .	254	111	244	124	263	126	288	113
Total payments . . . . .	117	22	122	23	114	24	131	22
Current account balance . . . . .	137	89	122	101	149	102	157	91

Note: Totals may not add exactly, due to rounding.

Gas and oil industry	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	316	26	322	29	371	29	402	51
Merchandise imports . . . . .	90	288	95	311	109	308	115	336
Capital equipment imported . . . . .	2	—	5	—	12	—	15	3
Total imports . . . . .	92	288	100	311	121	308	130	339
Balance on merchandise trade . . . . .	224	-262	222	-282	250	-279	272	-288
Other current receipts . . . . .	2	12	5	14	3	17	4	15
Dividends paid . . . . .	65	7	68	13	73	19	78	22
Other current payments . . . . .	37	5	46	4	49	4	63	14
Total current payments . . . . .	102	12	114	17	122	23	141	36
Balance on non-merchandise trade . . . . .	-100	—	-109	-3	-119	-6	-137	-21
Total receipts . . . . .	318	38	327	43	374	46	406	66
Total payments . . . . .	194	300	214	328	243	331	271	375
Current account balance . . . . .	124	-262	113	-285	131	-285	135	-309

Note: Totals may not add exactly, due to rounding.



## APPENDIX V

## Current International Transactions With Residents of the United States and of Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Machinery and metal fabricating industry	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	52	47	61	36	93	49	119	56
Merchandise imports . . . . .	199	26	228	25	265	34	252	45
Capital equipment imported . . . . .	19	1	28	4	57	16	63	19
Total imports . . . . .	218	27	256	29	322	50	315	64
Balance on merchandise trade . . . . .	-166	20	-195	7	-229	-1	-196	-8
Other current receipts . . . . .	1	1	1	1	1	1	1	1
Dividends paid . . . . .	29	1	28	1	38	—	13	1
Other current payments . . . . .	20	2	22	2	27	2	32	2
Total current payments . . . . .	49	3	50	3	65	2	45	3
Balance on non-merchandise trade . . . . .	-48	-2	-49	-2	-64	-1	-44	-2
Total receipts . . . . .	53	48	62	37	94	50	120	57
Total payments . . . . .	267	30	306	32	387	52	360	67
Current account balance . . . . .	-214	18	-244	5	-293	-2	-240	-10

*Note: Totals may not add exactly, due to rounding.*

Transportation equipment industry	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	253	122	390	111	963	98	1,634	114
Merchandise imports . . . . .	630	46	957	48	1,323	59	1,835	63
Capital equipment imported . . . . .	32	7	76	1	63	1	67	1
Total imports . . . . .	662	53	1,033	49	1,386	60	1,902	64
Balance on merchandise trade . . . . .	-409	69	-643	62	-423	38	-268	50
Other current receipts . . . . .	1	14	4	7	4	16	10	12
Dividends paid . . . . .	18	1	66	1	106	—	19	—
Other current payments . . . . .	34	1	49	1	59	1	112	1
Total current payments . . . . .	52	2	115	2	165	1	131	1
Balance on non-merchandise trade . . . . .	-51	12	-111	5	-161	15	-121	11
Total receipts . . . . .	254	136	394	118	967	114	1,644	126
Total payments . . . . .	714	55	1,148	51	1,551	61	2,033	65
Current account balance . . . . .	-460	81	-754	67	-584	53	-389	61

*Note: Totals may not add exactly, due to rounding.*

# APPENDIX V

## Current International Transactions With Residents of the United States and of Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Electrical products industry	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	34	56	45	56	77	46	98	63
Merchandise imports . . . . .	120	28	141	30	178	24	179	33
Capital equipment imported . . . . .	3	2	4	1	11	1	8	1
Total imports . . . . .	123	30	145	31	189	25	187	34
Balance on merchandise trade . . . . .	-89	26	-100	25	-112	21	-89	29
Other current receipts . . . . .	1	—	1	—	1	—	1	—
Dividends paid . . . . .	8	—	15	1	14	1	19	1
Other current payments . . . . .	9	3	11	4	16	1	16	1
Total current payments . . . . .	17	3	26	5	30	2	35	2
Balance on non-merchandise trade . . . . .	-16	-3	-25	-5	-29	-2	-34	-2
Total receipts . . . . .	35	56	46	56	78	46	99	63
Total payments . . . . .	140	33	171	36	219	27	222	36
Current account balance . . . . .	-105	23	-125	20	-141	19	-123	-27

Note: Totals may not add exactly, due to rounding.

Chemical products industry	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	68	41	64	37	98	27	76	23
Merchandise imports . . . . .	166	18	184	20	171	25	170	32
Capital equipment imported . . . . .	4	1	7	2	7	—	7	—
Total imports . . . . .	170	19	191	22	178	25	177	32
Balance on merchandise trade . . . . .	-102	22	-127	15	-80	2	-101	-9
Other current receipts . . . . .	—	4	1	5	2	5	—	5
Dividends paid . . . . .	86	10	33	9	29	9	34	10
Other current payments . . . . .	20	2	21	3	24	3	25	3
Total current payments . . . . .	106	12	54	12	53	12	59	13
Balance on non-merchandise trade . . . . .	-106	-8	-53	-7	-51	-7	-59	-8
Total receipts . . . . .	68	45	65	42	100	32	76	28
Total payments . . . . .	276	31	245	34	231	37	236	45
Current account balance . . . . .	-208	14	-180	8	-131	-5	-160	-17

Note: Totals may not add exactly, due to rounding.

## APPENDIX V

## Current International Transactions With Residents of the United States and of Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Food and beverage industry	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	35	108	32	102	43	96	36	75
Merchandise imports . . . . .	114	105	120	77	120	80	122	74
Capital equipment imported . . . . .	2	1	4	—	4	—	4	1
Total imports . . . . .	116	106	124	77	124	80	126	75
Balance on merchandise trade . . . . .	-81	2	-92	25	-81	16	-90	—
Other current receipts . . . . .	—	2	—	2	1	—	—	2
Dividends paid . . . . .	19	5	22	1	30	1	30	1
Other current payments . . . . .	13	4	13	2	15	7	15	1
Total current payments . . . . .	32	9	35	3	45	8	45	2
Balance on non-merchandise trade . . . . .	-32	-7	-35	-1	-44	-8	-45	—
Total receipts . . . . .	35	110	32	104	44	96	36	77
Total payments . . . . .	148	115	159	80	169	88	171	77
Current account balance . . . . .	-113	-5	-127	24	-125	8	-135	—

Note: Totals may not add exactly, due to rounding.

Pulp and paper industry	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	619	130	664	128	706	127	683	120
Merchandise imports . . . . .	24	6	26	7	26	9	26	6
Capital equipment imported . . . . .	6	—	6	1	4	2	6	1
Total imports . . . . .	30	6	32	8	30	11	32	7
Balance on merchandise trade . . . . .	589	124	632	120	676	116	651	113
Other current receipts . . . . .	2	—	3	—	2	—	3	1
Dividends paid . . . . .	16	10	40	9	24	10	30	6
Other current payments . . . . .	28	4	35	4	39	5	42	6
Total current payments . . . . .	44	14	75	13	63	15	72	12
Balance on non-merchandise trade . . . . .	-42	-14	-72	-13	-61	-15	-69	-11
Total receipts . . . . .	621	130	667	128	708	127	686	121
Total payments . . . . .	74	20	107	21	93	26	104	19
Current account balance . . . . .	547	110	560	107	615	101	582	102

Note: Totals may not add exactly, due to rounding.

# APPENDIX V

## Current International Transactions With Residents of the United States and of Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Other manufacturing industries	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	18	61	28	57	36	54	42	50
Merchandise imports . . . . .	132	22	154	24	143	25	148	33
Capital equipment imported . . . . .	11	1	17	2	13	2	24	2
Total imports . . . . .	143	23	171	26	156	27	172	35
Balance on merchandise trade . . . . .	-125	38	-143	31	-120	27	-130	15
Other current receipts . . . . .	1	4	1	3	—	5	1	3
Dividends paid . . . . .	15	1	24	—	19	—	18	1
Other current payments . . . . .	16	—	17	—	19	1	19	1
Total current payments . . . . .	31	1	41	—	38	1	37	2
Balance on non-merchandise trade . . . . .	-30	3	-40	3	-38	4	-36	1
Total receipts . . . . .	19	65	29	60	36	59	43	53
Total payments . . . . .	174	24	212	26	194	28	209	37
Current account balance . . . . .	-155	41	-183	34	-158	31	-166	16

Note: Totals may not add exactly, due to rounding.

Wholesale trade industry	1964		1965		1966		1967	
	United States	Other foreign Countries	United States	Other foreign Countries	United States	Other foreign Countries	United States	Other foreign Countries
Export sales . . . . .	87	398	97	433	127	510	118	430
Merchandise imports . . . . .	116	85	143	93	152	77	138	81
Capital equipment imported . . . . .	1	—	1	—	—	—	1	—
Total imports . . . . .	117	85	144	93	152	77	139	81
Balance on merchandise trade . . . . .	-30	313	-47	340	-25	433	-21	349
Other current receipts . . . . .	—	1	—	1	—	—	—	—
Dividends paid . . . . .	6	3	4	6	4	1	—	1
Other current payments . . . . .	3	—	2	1	2	3	2	1
Total current payments . . . . .	9	3	6	7	6	4	2	2
Balance on non-merchandise trade . . . . .	-9	-2	-6	-6	-6	-4	-2	-2
Total receipts . . . . .	87	399	97	434	127	510	118	430
Total payments . . . . .	126	88	150	100	158	81	141	83
Current account balance . . . . .	-39	311	-53	334	-31	429	-23	347

Note: Totals may not add exactly, due to rounding.



## APPENDIX V

## Current International Transactions With Residents of the United States and of Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Other non-manufacturing industries	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Exports sales . . . . .	11	4	13	2	9	1	13	1
Merchandise imports . . . . .	32	11	39	22	42	28	37	20
Capital equipment imported . . . . .	1	—	1	—	2	—	1	—
Total imports . . . . .	33	11	40	22	44	28	38	20
<b>Balance on merchandise trade . . . . .</b>	<b>-22</b>	<b>-7</b>	<b>-27</b>	<b>-20</b>	<b>-35</b>	<b>-27</b>	<b>-25</b>	<b>-19</b>
Other current receipts . . . . .	2	—	2	—	—	—	—	—
Dividends paid . . . . .	17	1	12	—	13	1	9	—
Other current payments . . . . .	13	4	12	—	7	—	13	—
Total current payments . . . . .	30	5	24	—	20	1	22	—
<b>Balance on non-merchandise trade . . . . .</b>	<b>-28</b>	<b>-5</b>	<b>-22</b>	<b>—</b>	<b>-20</b>	<b>-1</b>	<b>-22</b>	<b>—</b>
Total receipts . . . . .	13	4	15	2	9	1	13	1
Total payments . . . . .	63	16	64	22	64	29	60	20
<b>Current account balance . . . . .</b>	<b>-50</b>	<b>-12</b>	<b>-49</b>	<b>-20</b>	<b>-55</b>	<b>-28</b>	<b>-47</b>	<b>-19</b>

*Note: Totals may not add exactly, due to rounding.*

# APPENDIX VI

## Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries, All Reporting Corporations, By Industry, Annually, 1964 to 1967

In millions of dollars

Mining and primary metals industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	219	201	217	232	46	52	51	37
Merchandise imports . . . . .	48	60	60	54	9	11	10	6
Capital equipment imported . . . . .	1	—	—	1	—	—	—	—
Total import trade . . . . .	49	60	60	55	9	11	10	6
<b>Balance on international merchandise trade</b>	<b>170</b>	<b>141</b>	<b>157</b>	<b>177</b>	<b>37</b>	<b>41</b>	<b>41</b>	<b>31</b>
Other current receipts from abroad . . . . .	—	—	—	1	—	1	—	5
Dividends paid abroad . . . . .	28	24	16	23	2	3	3	3
Other current payments abroad . . . . .	6	6	7	10	7	7	7	7
Total current payments abroad . . . . .	34	30	23	33	9	10	10	10
<b>Balance on current international non-merchandise transactions</b>	<b>-34</b>	<b>-30</b>	<b>-23</b>	<b>-32</b>	<b>-9</b>	<b>-9</b>	<b>-10</b>	<b>-5</b>
Total receipts from abroad . . . . .	219	201	217	233	46	53	51	42
Total payments abroad . . . . .	83	90	83	88	18	21	20	16
<b>Current account balance</b>	<b>136</b>	<b>111</b>	<b>134</b>	<b>145</b>	<b>28</b>	<b>32</b>	<b>31</b>	<b>26</b>

Note: Totals may not add exactly, due to rounding.

Gas and oil industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	227	224	257	313	14	15	16	30
Merchandise imports . . . . .	78	81	90	93	263	282	279	314
Capital equipment imported . . . . .	—	—	—	—	—	—	—	—
Total import trade . . . . .	78	81	90	93	263	282	279	314
<b>Balance on international merchandise trade</b>	<b>149</b>	<b>143</b>	<b>167</b>	<b>220</b>	<b>-249</b>	<b>-267</b>	<b>-263</b>	<b>-284</b>
Other current receipts from abroad . . . . .	1	5	3	3	12	14	15	13
Dividends paid abroad . . . . .	62	65	70	74	5	11	17	20
Other current payments abroad . . . . .	17	22	28	38	4	2	1	12
Total current payments abroad . . . . .	79	87	98	112	9	13	18	32
<b>Balance on current international non-merchandise transactions</b>	<b>-78</b>	<b>-82</b>	<b>-95</b>	<b>-109</b>	<b>3</b>	<b>1</b>	<b>-3</b>	<b>-19</b>
Total receipts from abroad . . . . .	228	229	260	316	26	29	31	43
Total payments abroad . . . . .	157	168	188	205	272	295	297	346
<b>Current account balance</b>	<b>71</b>	<b>61</b>	<b>72</b>	<b>111</b>	<b>-246</b>	<b>-266</b>	<b>-266</b>	<b>-303</b>

Note: Totals may not add exactly, due to rounding.

# APPENDIX VI

## Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Machinery and metal fabricating industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	50	59	90	114	36	28	40	43
Merchandise imports . . . . .	159	179	203	201	19	18	22	37
Capital equipment imported . . . . .	16	24	51	57	1	4	16	19
Total import trade . . . . .	175	203	254	258	20	22	38	56
<b>Balance on international merchandise trade . . . . .</b>	<b>-125</b>	<b>-144</b>	<b>-164</b>	<b>-144</b>	<b>16</b>	<b>6</b>	<b>2</b>	<b>-13</b>
Other current receipts from abroad . . . . .	—	1	1	1	1	—	1	1
Dividends paid abroad . . . . .	29	28	38	13	—	1	—	1
Other current payments abroad . . . . .	19	20	25	30	—	—	1	1
Total current payments abroad . . . . .	48	48	63	43	—	1	1	2
<b>Balance on current international non-merchandise transactions . . . . .</b>	<b>-48</b>	<b>-47</b>	<b>-62</b>	<b>-42</b>	<b>1</b>	<b>-1</b>	<b>—</b>	<b>-1</b>
Total receipts from abroad . . . . .	50	60	91	115	37	28	41	44
Total payments abroad . . . . .	223	251	317	301	20	23	39	58
<b>Current account balance . . . . .</b>	<b>-173</b>	<b>-191</b>	<b>-226</b>	<b>-186</b>	<b>17</b>	<b>5</b>	<b>2</b>	<b>-14</b>

Note: Totals may not add exactly, due to rounding.

Transportation equipment industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	96	230	836	1,417	42	45	40	54
Merchandise imports . . . . .	411	683	970	1,318	38	40	44	48
Capital equipment imported . . . . .	13	9	17	30	—	—	—	1
Total import trade . . . . .	424	692	987	1,348	38	40	44	49
<b>Balance on international merchandise trade . . . . .</b>	<b>-328</b>	<b>-462</b>	<b>-151</b>	<b>69</b>	<b>4</b>	<b>5</b>	<b>-4</b>	<b>5</b>
Other current receipts from abroad . . . . .	—	—	1	8	13	7	13	9
Dividends paid abroad . . . . .	17	65	105	18	1	—	—	—
Other current payments abroad . . . . .	23	30	43	102	—	—	—	—
Total current payments abroad . . . . .	40	95	148	120	1	—	—	—
<b>Balance on current international non-merchandise transactions . . . . .</b>	<b>-40</b>	<b>-95</b>	<b>-147</b>	<b>-112</b>	<b>12</b>	<b>7</b>	<b>13</b>	<b>9</b>
Total receipts from abroad . . . . .	96	230	837	1,425	55	52	53	63
Total payments abroad . . . . .	464	787	1,135	1,468	39	40	44	49
<b>Current account balance . . . . .</b>	<b>-368</b>	<b>-557</b>	<b>-298</b>	<b>-43</b>	<b>16</b>	<b>12</b>	<b>9</b>	<b>14</b>

Note: Totals may not add exactly, due to rounding.

# APPENDIX VI

## Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Electrical products industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	21	36	45	59	21	19	16	13
Merchandise imports. . . . .	80	99	129	123	25	27	21	29
Capital equipment imported. . . . .	1	2	2	3	—	—	—	—
Total import trade . . . . .	81	101	131	126	25	27	21	29
<b>Balance on international merchandise trade . . . . .</b>	<b>-60</b>	<b>-65</b>	<b>-86</b>	<b>-67</b>	<b>-4</b>	<b>-8</b>	<b>-5</b>	<b>-16</b>
Other current receipts from abroad. . . . .	1	1	1	1	—	—	—	—
Dividends paid abroad. . . . .	8	15	13	18	—	—	1	1
Other current payments abroad . . . . .	6	8	13	13	3	4	1	1
Total current payments abroad. . . . .	14	23	26	31	3	4	2	2
<b>Balance on current international non-merchandise transactions. . . . .</b>	<b>-13</b>	<b>-22</b>	<b>-25</b>	<b>-30</b>	<b>-3</b>	<b>-4</b>	<b>-2</b>	<b>-2</b>
Total receipts from abroad . . . . .	22	37	46	60	21	19	16	13
Total payments abroad. . . . .	95	124	157	157	28	31	23	31
<b>Current account balance . . . . .</b>	<b>-73</b>	<b>-87</b>	<b>-111</b>	<b>-97</b>	<b>-7</b>	<b>-12</b>	<b>-7</b>	<b>-18</b>

Note: Totals may not add exactly, due to rounding.

Chemical products industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	25	22	45	43	25	20	18	15
Merchandise imports. . . . .	97	104	99	108	10	12	13	15
Capital equipment imported . . . . .	1	1	2	1	—	—	—	—
Total import trade . . . . .	98	105	101	109	10	12	13	15
<b>Balance on international merchandise trade . . . . .</b>	<b>-73</b>	<b>-83</b>	<b>-56</b>	<b>-66</b>	<b>15</b>	<b>8</b>	<b>5</b>	<b>—</b>
Other current receipts from abroad. . . . .	—	1	1	1	3	4	4	2
Dividends paid abroad. . . . .	85	33	28	33	10	9	9	10
Other current payments abroad . . . . .	12	13	14	15	2	2	2	3
Total current payments abroad. . . . .	97	46	42	48	12	11	11	13
<b>Balance on current international non-merchandise transactions. . . . .</b>	<b>-97</b>	<b>-45</b>	<b>-41</b>	<b>-47</b>	<b>-9</b>	<b>-7</b>	<b>-7</b>	<b>-11</b>
Total receipts from abroad . . . . .	25	23	46	44	28	24	22	17
Total payments abroad. . . . .	195	151	143	157	22	23	24	28
<b>Current account balance . . . . .</b>	<b>-170</b>	<b>-128</b>	<b>-97</b>	<b>-113</b>	<b>6</b>	<b>1</b>	<b>-2</b>	<b>-11</b>

Note: Totals may not add exactly, due to rounding.



# APPENDIX VI

## Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Food and beverage industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	25	20	23	22	26	28	15	13
Merchandise imports . . . . .	57	57	55	55	13	12	14	15
Capital equipment imported . . . . .	—	—	—	—	—	—	—	—
Total import trade . . . . .	57	57	55	55	13	12	14	15
Balance on international merchandise trade . . . . .	-32	-37	-32	-33	13	16	1	-2
Other current receipts from abroad . . . . .	—	—	—	—	2	2	—	1
Dividends paid abroad . . . . .	19	21	30	30	5	1	1	1
Other current payments abroad . . . . .	10	11	12	12	1	1	2	1
Total current payments abroad . . . . .	29	32	42	42	6	2	3	2
Balance on current international non-merchandise transactions . . . . .	-29	-32	-42	-42	-4	—	-3	-1
Total receipts from abroad . . . . .	25	20	23	22	28	30	15	14
Total payments abroad . . . . .	86	89	97	97	19	14	17	17
Current account balance . . . . .	-61	-69	-74	-75	9	16	-2	-3

Note: Totals may not add exactly, due to rounding.

Pulp and paper industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	324	341	408	425	34	33	31	27
Merchandise imports . . . . .	7	7	8	9	5	6	7	6
Capital equipment imported . . . . .	—	—	—	—	—	—	—	—
Total import trade . . . . .	7	7	8	9	5	6	7	6
Balance on international merchandise trade . . . . .	317	334	400	416	29	27	24	21
Other current receipts from abroad . . . . .	2	2	1	2	—	—	—	1
Dividends paid abroad . . . . .	16	39	24	29	6	5	6	6
Other current payments abroad . . . . .	12	15	17	19	4	4	5	4
Total current payments abroad . . . . .	28	54	41	48	10	9	11	10
Balance on current international non-merchandise transactions . . . . .	-26	-52	-40	-46	-10	-9	-11	-9
Total receipts from abroad . . . . .	326	343	409	427	34	33	31	28
Total payments abroad . . . . .	35	61	49	57	15	15	18	16
Current account balance . . . . .	291	282	360	370	19	18	13	12

Note: Totals may not add exactly, due to rounding.

# APPENDIX VI

## Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967

In millions of dollars

Other manufacturing industries	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales .....	11	19	23	28	11	14	13	15
Merchandise imports .....	96	109	105	109	8	8	10	17
Capital equipment imported .....	1	2	4	3	1	1	—	—
Total import trade .....	97	111	109	112	9	9	10	17
<b>Balance on international merchandise trade .....</b>	<b>-86</b>	<b>-92</b>	<b>-86</b>	<b>-84</b>	<b>2</b>	<b>5</b>	<b>3</b>	<b>-2</b>
Other current receipts from abroad .....	1	—	—	1	2	2	3	2
Dividends paid abroad .....	14	23	19	18	1	—	—	—
Other current payments abroad .....	13	13	16	17	—	—	—	1
Total current payments abroad .....	27	36	35	35	1	—	—	1
<b>Balance on current international non-merchandise transactions .....</b>	<b>-26</b>	<b>-36</b>	<b>-35</b>	<b>-34</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>1</b>
Total receipts from abroad .....	12	19	23	29	13	16	16	17
Total payments abroad .....	124	147	144	147	10	9	10	18
<b>Current account balance .....</b>	<b>-112</b>	<b>-128</b>	<b>-121</b>	<b>-118</b>	<b>3</b>	<b>7</b>	<b>6</b>	<b>-1</b>

Note: Totals may not add exactly, due to rounding.

Wholesale trade industry	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales .....	81	92	121	113	51	46	45	51
Merchandise imports .....	94	115	126	112	63	68	47	52
Capital equipment imported .....	—	1	—	1	—	—	—	—
Total import trade .....	94	116	126	113	63	68	47	52
<b>Balance on international merchandise trade .....</b>	<b>-13</b>	<b>-24</b>	<b>-5</b>	<b>—</b>	<b>-12</b>	<b>-22</b>	<b>-2</b>	<b>-1</b>
Other current receipts from abroad .....	—	—	—	—	—	—	—	—
Dividends paid abroad .....	6	4	4	—	3	6	1	1
Other current payments abroad .....	2	2	2	2	—	1	2	1
Total current payments abroad .....	8	6	6	2	3	7	3	2
<b>Balance on current international non-merchandise transactions .....</b>	<b>-8</b>	<b>-6</b>	<b>-6</b>	<b>-2</b>	<b>-3</b>	<b>-7</b>	<b>-3</b>	<b>-2</b>
Total receipts from abroad .....	81	92	121	113	51	46	45	51
Total payments abroad .....	102	122	132	115	66	75	50	54
<b>Current account balance .....</b>	<b>-21</b>	<b>-30</b>	<b>-11</b>	<b>-2</b>	<b>-15</b>	<b>-29</b>	<b>-5</b>	<b>-3</b>

Note: Totals may not add exactly, due to rounding.

## APPENDIX VI

Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries, All Reporting Corporations, by Industry, Annually, 1964 to 1967  
In millions of dollars

Other non-manufacturing industries	In the United States				In other foreign countries			
	1964	1965	1966	1967	1964	1965	1966	1967
Export sales . . . . .	11	13	9	10	4	1	1	—
Merchandise imports . . . . .	13	14	17	17	—	—	—	—
Capital equipment imported . . . . .	—	—	—	—	—	—	—	—
Total import trade . . . . .	13	14	17	17	—	—	—	—
Balance on international merchandise trade . . . . .	— 2	— 1	— 8	— 7	4	1	1	—
Other current receipts from abroad . . . . .	2	2	—	—	—	—	—	—
Dividends paid abroad . . . . .	16	11	12	9	1	1	1	—
Other current payments abroad . . . . .	11	10	5	7	4	—	—	—
Total current payments abroad . . . . .	27	21	17	16	5	1	1	—
Balance on current international non-merchandise transactions . . . . .	—25	—19	—17	—16	—5	—1	—1	—
Total receipts from abroad . . . . .	13	15	9	10	4	1	1	—
Total payments abroad . . . . .	40	35	34	33	5	1	1	—
Current account balance . . . . .	—27	—20	—25	—23	—1	—	—	—

Note: Totals may not add exactly, due to rounding.

## APPENDIX VII

### Current International Transactions With All Foreign Countries by Reporting Corporations Controlled in the United States, Annually, 1964 to 1967

In millions of dollars

Transactions with all foreign countries	1964	1965	1966	1967
Export sales . . . . .	2,278	2,486	3,388	4,025
Merchandise imports . . . . .	1,816	2,297	2,790	3,369
Capital equipment imported . . . . .	82	148	178	222
Total import trade . . . . .	1,898	2,445	2,968	3,591
<b>Balance on international merchandise trade . . . . .</b>	<b>380</b>	<b>41</b>	<b>420</b>	<b>434</b>
Other current receipts from abroad . . . . .	36	37	40	47
Dividends paid abroad . . . . .	308	337	367	274
Other current payments abroad . . . . .	211	237	260	361
Total current payments abroad . . . . .	519	574	627	635
<b>Balance on current international non-merchandise transactions. .</b>	<b>-483</b>	<b>-537</b>	<b>-587</b>	<b>-588</b>
Total receipts from abroad . . . . .	2,314	2,523	3,428	4,072
Total payments abroad . . . . .	2,417	3,019	3,595	4,226
<b>Current account balance . . . . .</b>	<b>-103</b>	<b>-496</b>	<b>-167</b>	<b>-154</b>

*Note: Totals may not add exactly, due to rounding.*

### Current International Transactions With All Foreign Countries by Reporting Corporations Controlled in Britain, Annually, 1964 to 1967

In millions of dollars

Transactions with all foreign countries	1964	1965	1966	1967
Export sales . . . . .	369	387	343	415
Merchandise imports . . . . .	320	316	299	307
Capital equipment imported . . . . .	14	11	17	10
Total import trade . . . . .	334	327	316	317
<b>Balance on international merchandise trade . . . . .</b>	<b>35</b>	<b>60</b>	<b>27</b>	<b>98</b>
Other current receipts from abroad . . . . .	3	4	6	8
Dividends paid abroad . . . . .	28	25	23	19
Other current payments abroad . . . . .	22	25	32	26
Total current payments abroad . . . . .	50	50	55	45
<b>Balance on current international non-merchandise transactions. .</b>	<b>-47</b>	<b>-46</b>	<b>-49</b>	<b>-37</b>
Total receipts from abroad . . . . .	372	391	349	423
Total payments abroad . . . . .	384	377	371	362
<b>Current account balance . . . . .</b>	<b>-12</b>	<b>14</b>	<b>-22</b>	<b>61</b>

*Note: Totals may not add exactly, due to rounding.*



# APPENDIX VII

## Current International Transactions With All Foreign Countries by Reporting Corporations Controlled in Foreign Countries Other than the United States or Britain, Annually, 1964 to 1967

In millions of dollars

Transactions with all foreign countries	1964	1965	1966	1967
Export sales . . . . .	203	201	218	159
Merchandise imports. . . . .	196	217	193	152
Capital equipment imported. . . . .	2	3	4	3
Total import trade, . . . . .	198	220	197	155
<b>Balance on international merchandise trade . . . . .</b>	<b>5</b>	<b>-19</b>	<b>21</b>	<b>4</b>
Other current receipts from abroad. . . . .	10	11	13	10
Dividends paid abroad. . . . .	13	19	23	26
Other current payments abroad . . . . .	15	16	21	16
Total current payments abroad. . . . .	28	35	44	42
<b>Balance on current international non-merchandise transactions. . . . .</b>	<b>- 18</b>	<b>- 24</b>	<b>- 31</b>	<b>- 32</b>
Total receipts from abroad . . . . .	213	212	231	169
Total payments abroad . . . . .	226	255	241	197
<b>Current account balance . . . . .</b>	<b>- 13</b>	<b>- 43</b>	<b>- 10</b>	<b>- 28</b>

*Note: Totals may not add exactly, due to rounding.*

# APPENDIX VIII

## Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries by Reporting Corporations Controlled in the United States, Annually, 1964 to 1967

In millions of dollars

Item	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	945	241	1,109	228	1,900	216	2,582	252
Merchandise imports . . . . .	1,103	215	1,461	223	1,822	241	2,157	312
Capital equipment imported . . . . .	33	—	39	3	78	15	96	20
Total import trade . . . . .	1,136	215	1,500	226	1,900	256	2,253	332
<b>Balance on international merchandise trade . . . . .</b>	<b>-191</b>	<b>26</b>	<b>-391</b>	<b>2</b>	<b>—</b>	<b>-40</b>	<b>329</b>	<b>-80</b>
Other current receipts from abroad . . . . .	7	21	12	16	8	21	17	19
Dividends paid abroad . . . . .	300	—	329	—	358	—	265	1
Other current payments abroad . . . . .	128	12	145	10	177	7	261	18
Total current payments abroad . . . . .	428	12	474	10	535	7	526	19
<b>Balance on current international non-merchandise transactions . . . . .</b>	<b>-421</b>	<b>9</b>	<b>-462</b>	<b>6</b>	<b>-527</b>	<b>14</b>	<b>-509</b>	<b>—</b>
Total receipts from abroad . . . . .	952	262	1,121	244	1,908	237	2,599	271
Total payments abroad . . . . .	1,564	227	1,974	236	2,435	263	2,779	351
<b>Current account balance . . . . .</b>	<b>-612</b>	<b>35</b>	<b>-853</b>	<b>8</b>	<b>-527</b>	<b>-26</b>	<b>-180</b>	<b>-80</b>

Note: Totals may not add exactly, due to rounding.

## Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries by Reporting Corporations Controlled in Britain, Annually, 1964 to 1967

In millions of dollars

Item	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	73	57	76	61	84	51	104	36
Merchandise imports . . . . .	13	99	16	110	16	96	14	131
Capital equipment imported . . . . .	—	1	—	2	—	—	—	1
Total import trade . . . . .	13	100	16	112	16	96	14	132
<b>Balance on international merchandise trade . . . . .</b>	<b>60</b>	<b>-43</b>	<b>60</b>	<b>-51</b>	<b>68</b>	<b>-45</b>	<b>90</b>	<b>-96</b>
Other current receipts from abroad . . . . .	—	2	—	3	—	3	—	5
Dividends paid abroad . . . . .	—	23	—	19	1	17	—	17
Other current payments abroad . . . . .	2	5	2	5	2	6	3	6
Total current payments abroad . . . . .	2	28	2	24	3	23	3	23
<b>Balance on current international non-merchandise transactions . . . . .</b>	<b>-2</b>	<b>-26</b>	<b>-2</b>	<b>-21</b>	<b>-3</b>	<b>-20</b>	<b>-3</b>	<b>-18</b>
Total receipts from abroad . . . . .	73	59	76	64	84	54	104	41
Total payments abroad . . . . .	15	128	18	136	19	119	17	155
<b>Current account balance . . . . .</b>	<b>58</b>	<b>-69</b>	<b>58</b>	<b>-72</b>	<b>65</b>	<b>-65</b>	<b>87</b>	<b>-114</b>

Note: Totals may not add exactly, due to rounding.

# APPENDIX VIII

Current International Transactions With Parents and Affiliates in the United States and in Other Foreign Countries by Reporting Corporations Controlled in Foreign Countries Other than the United States or Britain, Annually, 1964 to 1967

In millions of dollars

Item	1964		1965		1966		1967	
	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries	United States	Other foreign countries
Export sales . . . . .	72	12	72	12	90	19	89	11
Merchandise imports . . . . .	24	139	30	151	22	132	26	96
Capital equipment imported . . . . .	—	1	—	—	—	—	1	—
Total import trade . . . . .	24	140	30	151	22	132	27	96
Balance on international merchandise trade . . . . .	48	—128	42	—139	68	—113	62	—85
Other current receipts from abroad . . . . .	—	10	—	11	—	12	—	10
Dividends paid abroad . . . . .	—	12	—	18	—	22	—	26
Other current payments abroad . . . . .	1	8	2	7	3	8	2	6
Total current payments abroad . . . . .	1	20	2	25	3	30	2	32
Balance on current international non-merchandise transactions . . . . .	—1	—10	—2	—14	—3	—18	—2	—22
Total receipts from abroad . . . . .	72	22	72	23	90	31	89	21
Total payments abroad . . . . .	25	160	32	176	25	162	29	128
Current account balance . . . . .	47	—138	40	—153	65	—131	60	—107

Note: Totals may not add exactly, due to rounding.

## APPENDIX IX

### Other Current Receipts, All Reporting Corporations, by Major Item and Geographic Origin, Annually, 1964 to 1967

In millions of dollars

Year and major item	From the United States		From other foreign countries		From all foreign countries		From Canada	From all countries
	Parents and affiliates	Total	Parents and affiliates	Total	Parents and affiliates	Total		
1964								
Dividends . . . . .	1	1	28	29	29	30	23	53
Interest . . . . .	—	3	1	2	1	5	54	59
Royalties . . . . .	—	—	1	1	1	1	2	3
Management and administration fees . . .	—	—	—	—	—	—	2	2
Rent on property and equipment . . . . .	—	—	—	—	—	—	50	50
Scientific research and development . . .	1	2	—	1	1	3	13	16
Miscellaneous income . . . . .	5	5	3	5	8	10	112	122
Total . . . . .	7	11	33	38	40	49	256	305
1965								
Dividends . . . . .	1	1	25	26	26	27	25	52
Interest . . . . .	1	4	1	2	2	6	64	70
Royalties . . . . .	—	—	1	1	1	1	2	3
Management and administration fees . . .	—	1	—	—	—	1	2	3
Rent on property and equipment . . . . .	—	—	—	—	—	—	59	59
Scientific research and development . . . .	4	5	—	—	4	5	32	37
Miscellaneous income . . . . .	6	7	3	5	9	12	147	159
Total . . . . .	12	18	30	34	42	52	331	383
1966								
Dividends . . . . .	1	1	30	31	31	32	23	55
Interest . . . . .	2	4	—	4	2	8	79	87
Royalties . . . . .	—	—	—	1	—	1	2	3
Management and administration fees . . .	—	1	—	—	—	1	3	4
Rent on property and equipment . . . . .	—	—	—	—	—	—	74	74
Scientific research and development . . .	2	3	1	1	3	4	18	22
Miscellaneous income . . . . .	3	5	5	8	8	13	155	168
Total . . . . .	8	14	36	45	44	59	354	413
1967								
Dividends . . . . .	1	1	29	31	30	32	23	55
Interest . . . . .	1	3	—	4	1	7	90	97
Royalties . . . . .	—	—	1	1	1	1	12	13
Management and administration fees . . .	—	—	1	1	1	1	4	5
Rent on property and equipment . . . . .	—	—	—	—	—	—	75	75
Scientific research and development . . .	2	3	—	1	2	4	23	27
Miscellaneous income . . . . .	13	14	4	6	17	20	123	143
Total . . . . .	17	21	35	44	52	65	350	415

Note: Totals may not add exactly, due to rounding.



# APPENDIX X

## Other Current Expenses, All Reporting Corporations, by Major Item and Geographic Destination, Annually, 1964 to 1967

In millions of dollars

Year and major item	To the United States		To other foreign countries		To all foreign countries		To Canada	To all countries
	Parents and affiliates	Total	Parents and affiliates	Total	Parents and affiliates	Total		
1964								
Salaries and wages .....	1	2	1	1	2	3	2,567	2,570
Interest .....	22	47	3	3	25	50	63	113
Royalties .....	27	36	1	3	28	39	26	65
Management, administration and directors' fees .....	23	23	1	1	24	24	19	43
Rent on property and equipment .....	2	8	1	1	3	9	126	135
Scientific research and development ...	7	9	1	1	8	10	88	98
Other expenses including balance of cost of sales .....	49	90	18	23	66	113	2,154	2,267
Total .....	131	215	25	33	156	248	5,043	5,291
1965								
Salaries and wages .....	1	3	1	1	2	4	2,935	2,939
Interest .....	26	52	3	4	29	56	78	134
Royalties .....	32	43	1	4	33	47	32	79
Management, administration and directors' fees .....	24	24	1	1	25	25	22	47
Rent on property and equipment .....	2	9	1	1	3	10	139	149
Scientific research and development ...	8	9	1	2	9	11	113	124
Other expenses including balance of cost of sales .....	57	109	13	16	70	125	2,329	2,454
Total .....	150	249	21	29	171	278	5,648	5,926
1966								
Salaries and wages .....	2	3	—	—	2	3	3,293	3,296
Interest .....	37	66	7	8	44	74	90	164
Royalties .....	37	46	3	5	40	51	36	87
Management, administration and directors' fees .....	25	25	1	1	26	26	23	49
Rent on property and equipment .....	2	10	1	2	3	12	155	167
Scientific research and development ...	7	12	—	—	7	12	105	117
Other expenses including balance of cost of sales .....	72	117	9	18	81	135	2,537	2,672
Total .....	182	279	21	34	203	313	6,239	6,552
1967								
Salaries and wages .....	2	4	—	—	2	4	3,484	3,488
Interest .....	52	84	9	10	61	94	119	213
Royalties .....	43	54	3	5	46	59	27	86
Management, administration and directors' fees .....	27	27	1	1	28	28	29	57
Rent on property and equipment .....	2	8	—	2	2	10	172	182
Scientific research and development ...	10	13	1	1	11	14	106	120
Other expenses including balance of cost of sales .....	130	174	16	20	146	194	2,890	3,084
Total .....	266	364	30	39	296	403	6,827	7,230

Note: Total may not add exactly, due to rounding.

# APPENDIX XI

Selected Sources of Net External Funds from Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Source of net external funds and industry	United States			Other foreign countries			All foreign countries			Canada			All countries		
	1965	1966	1967	1965	1966	1967	1965	1966	1967	1965	1966	1967	1965	1966	1967
<b>Bank loans:</b>															
Mining and primary metals industry . . . . .	-	-20	-20	-	-	-	-	-20	-20	1	9	16	1	-11	-4
Gas and oil industry . . . . .	54	1	-1	-	-1	-	54	-	-1	25	24	-5	79	24	-6
Machinery and metal fabricating industry . . . . .	-	-	-	-	-	-	-	-	-	17	43	20	17	43	20
Transportation equipment industry . . . . .	-	-	-	-	-	-	-	-	-	-	71	65	-	71	65
Electrical products industry . . . . .	-	-	-	-	-	-	-	-	-	14	14	36	14	14	36
Chemical products industry . . . . .	-	3	3	-	-	-	-	3	3	8	6	30	8	9	33
Food and beverage industry . . . . .	-2	1	-	-	-	-	-2	1	-	20	40	17	18	41	17
Pulp and paper industry . . . . .	-	-	-	-	-	-	-	-	-	10	-18	31	10	-18	31
Other manufacturing industries . . . . .	-	-	-	-	-	-	-	-	-	4	42	-10	4	42	-10
Wholesale trade industry . . . . .	-5	1	-	-2	3	-1	-7	4	-1	43	-14	43	36	-10	42
Other non-manufacturing industries . . . . .	4	-	-	-	-	-	4	-	-	6	-6	6	10	-6	6
<b>Total . . . . .</b>	<b>51</b>	<b>-14</b>	<b>-18</b>	<b>-2</b>	<b>2</b>	<b>-1</b>	<b>49</b>	<b>-12</b>	<b>-19</b>	<b>148</b>	<b>211</b>	<b>249</b>	<b>197</b>	<b>199</b>	<b>230</b>
<b>Parents and affiliates:</b>															
Mining and primary metals industry . . . . .	-12	29	9	-4	-14	-5	-16	15	4	3	-3	3	-13	12	7
Gas and oil industry . . . . .	96	-45	26	-12	15	13	84	-30	39	4	-2	8	88	-32	47
Machinery and metal fabricating industry . . . . .	16	16	6	2	2	-2	18	18	4	-4	3	-	14	21	3
Transportation equipment industry . . . . .	174	188	35	1	-5	4	175	183	39	36	-8	-4	211	175	35
Electrical products industry . . . . .	5	27	-9	6	1	-5	11	28	-14	1	-	-4	12	28	-18
Chemical products industry . . . . .	22	16	-	-4	-26	-10	18	-10	-10	-4	-1	2	14	-11	-8
Food and beverage industry . . . . .	2	1	1	-1	8	-6	1	9	-5	1	-1	-	2	8	-5
Pulp and paper industry . . . . .	8	5	35	-	3	5	8	8	40	-3	-3	-6	5	5	34
Other manufacturing industries . . . . .	-4	-	22	1	1	-3	-3	1	19	1	-1	-1	-2	-	18
Wholesale trade industry . . . . .	3	22	-9	9	-5	-5	12	17	-14	4	6	3	16	23	-11
Other non-manufacturing industries . . . . .	4	16	-8	-	1	1	4	17	-7	1	-	-3	5	17	-10
<b>Total . . . . .</b>	<b>314</b>	<b>276</b>	<b>108</b>	<b>-2</b>	<b>-19</b>	<b>-14</b>	<b>312</b>	<b>257</b>	<b>94</b>	<b>40</b>	<b>-10</b>	<b>-2</b>	<b>352</b>	<b>247</b>	<b>92</b>

# APPENDIX XI

Selected Sources of Net External Funds from Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1965 to 1967 — Continued

In millions of dollars

Source of net external funds and industry	United States			Other foreign countries			All foreign countries			Canada			All countries		
	1965	1966	1967	1965	1966	1967	1965	1966	1967	1965	1966	1967	1965	1966	1967
<b>Short-term loans:</b>															
Mining and primary metals industry . . . . .	- 1	-	-	-	-	-	- 1	-	-	1	2	1	-	2	1
Gas and oil industry . . . . .	-	-	-	-	-	-	-	-	-	7	1	1	-	7	1
Machinery and metal fabricating industry . . . . .	-	-	-	-	-	-	-	-	-	5	14	4	-	5	14
Transportation equipment industry . . . . .	-	-	-	-	-	-	-	-	-	- 1	4	6	-	1	4
Electrical products industry . . . . .	-	-	-	-	-	-	-	-	-	1	5	3	-	1	5
Chemical products industry . . . . .	-	3	- 1	-	-	-	-	3	- 1	2	5	3	-	2	8
Food and beverage industry . . . . .	-	-	-	-	-	-	-	-	-	- 7	8	- 7	-	- 7	- 7
Pulp and paper industry . . . . .	-	-	1	-	-	-	-	-	-	1	-	- 1	-	-	-
Other manufacturing industries . . . . .	-	-	-	-	-	-	-	-	-	- 3	- 5	- 15	-	- 3	5
Wholesale trade industry . . . . .	-	-	-	-	-	-	-	-	-	- 1	5	- 6	-	1	5
Other non-manufacturing industries . . . . .	-	- 4	-	-	-	-	-	- 4	-	- 7	7	- 6	-	- 7	3
<b>Total . . . . .</b>	<b>- 1</b>	<b>- 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>- 1</b>	<b>- 1</b>	<b>-</b>	<b>- 21</b>	<b>28</b>	<b>- 17</b>	<b>- 22</b>	<b>27</b>	<b>- 17</b>
<b>Bonds and debentures:</b>															
Mining and primary metals industry . . . . .	-	-	24	-	-	-	-	-	-	24	- 2	- 4	-	- 2	20
Gas and oil industry . . . . .	- 1	- 7	- 15	-	-	-	- 1	- 7	- 15	- 36	- 21	65	-	- 37	- 28
Machinery and metal fabricating industry . . . . .	4	3	2	-	-	-	4	3	2	4	12	- 17	8	15	- 15
Transportation equipment industry . . . . .	14	5	4	-	-	-	14	5	4	9	4	7	23	9	11
Electrical products industry . . . . .	1	-	- 1	-	-	-	1	-	- 1	-	- 1	3	1	- 1	2
Chemical products industry . . . . .	-	- 1	10	-	-	-	-	- 1	10	4	30	- 3	4	29	7
Food and beverage industry . . . . .	-	-	6	-	-	-	-	-	6	- 2	- 1	5	- 2	- 1	11
Pulp and paper industry . . . . .	37	39	-	-	8	7	37	47	7	- 2	1	- 7	35	48	-
Other manufacturing industries . . . . .	10	29	5	-	-	-	10	29	5	15	3	2	25	32	7
Wholesale trade industry . . . . .	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
Other non-manufacturing industries . . . . .	1	- 1	- 1	-	-	-	1	- 1	- 1	8	6	5	9	5	4
<b>Total . . . . .</b>	<b>66</b>	<b>67</b>	<b>34</b>	<b>-</b>	<b>8</b>	<b>7</b>	<b>66</b>	<b>75</b>	<b>41</b>	<b>- 2</b>	<b>27</b>	<b>56</b>	<b>64</b>	<b>102</b>	<b>97</b>

# APPENDIX XI

Selected Sources of Net External Funds from Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1965 to 1967—Continued

In millions of dollars															
Source of net external funds and industry	United States			Other foreign countries			All foreign countries			Canada			All countries		
	1965	1966	1967	1965	1966	1967	1965	1966	1967	1965	1966	1967	1965	1966	1967
<b>Other long-term debt:</b>															
Mining and primary metals industry	5	28	-22	-	-	1	5	28	-21	-	-	1	5	28	-20
Gas and oil industry	14	-5	-5	-	1	-	14	-4	-5	13	7	12	27	3	7
Machinery and metal fabricating industry	1	4	-3	-	-	-	1	4	-3	-1	1	12	-	5	9
Transportation equipment industry	-	6	-	-	-	-	-	6	-	-3	2	9	-3	8	9
Electrical products industry	-	-	-	-	-	-	-	-	-	-1	-2	9	-1	-2	9
Chemical products industry	-	6	6	-	-	-	-	6	6	-	4	-1	-	10	5
Food and beverage industry	13	-	-	-	-	-	13	-	-	-	3	-	13	3	-
Pulp and paper industry	-2	27	-4	-	-	-	-2	27	-4	-6	-4	1	-8	23	-3
Other manufacturing industries	3	-11	-2	-	-	-	3	-11	-2	17	1	4	20	-10	2
Wholesale trade industry	-	-	-	-	-	-	-	-	-	-1	-1	-1	-1	-1	-1
Other non-manufacturing industries	-	-	8	-	-	-	-	-	8	-1	-3	-4	-1	-3	4
Total	34	55	-22	-	1	1	34	56	-21	17	8	42	51	64	21
<b>Paid-in capital by parents and affiliates:</b>															
Mining and primary metals industry	-	7	9	-4	-5	1	-4	2	10	-	-	2	-4	2	12
Gas and oil industry	25	24	14	2	7	4	27	31	18	-	-	-	27	31	18
Machinery and metal fabricating industry	1	15	15	-	-	1	1	15	16	-	-	1	1	15	17
Transportation equipment industry	1	13	4	-	-	-	1	13	4	-	-	-	1	13	4
Electrical products industry	1	7	33	-	4	-	1	11	33	-	-	-	1	11	33
Chemical products industry	50	-	-	12	21	-	62	21	-	-	-	-	62	21	-
Food and beverage industry	2	4	9	-2	2	2	-	6	11	-	-	-	-	6	11
Pulp and paper industry	-1	-1	1	-	2	12	-1	1	13	-	-	3	-1	1	16
Other manufacturing industries	20	1	-	-	-	-	20	1	-	-	-1	-	20	-	-
Wholesale trade industry	-3	-	1	-	-	-	-3	-	1	-	-	-	-3	-	1
Other non-manufacturing industries	-	-4	6	-	-	1	-	-4	7	-	-	-	-	-4	7
Total	96	66	92	8	31	21	104	97	113	-	-1	6	104	96	119



# APPENDIX XI

Selected Sources of Net External Funds from Residents of the United States, of Other Foreign Countries and of Canada, All Reporting Corporations, by Industry, Annually, 1965 to 1967—Continued

In millions of dollars

Source of net external funds and industry	United States			Other foreign countries			All foreign countries			Canada			All countries		
	1965	1966	1967	1965	1966	1967	1965	1966	1967	1965	1966	1967	1965	1966	1967
<b>Paid-in capital by others:</b>															
Mining and primary metals industry . . . . .	—	1	-1	—	—	—	—	1	-1	—	-1	7	—	—	6
Gas and oil industry . . . . .	-4	-1	4	-1	-6	1	-5	-7	5	4	6	41	-1	-1	46
Machinery and metal fabricating industry . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transportation equipment industry . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Electrical products industry . . . . .	—	1	—	—	—	—	—	1	—	1	1	—	1	2	—
Chemical products industry . . . . .	—	—	—	—	—	—	—	—	—	11	—	—	11	—	—
Food and beverage industry . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pulp and paper industry . . . . .	—	—	—	—	—	-5	—	—	-5	16	-1	-7	16	-1	-12
Other manufacturing industries . . . . .	1	-1	—	—	—	—	1	-1	—	6	—	—	7	-1	—
Wholesale trade industry . . . . .	—	—	—	—	—	2	—	—	2	—	—	-1	—	—	1
Other non-manufacturing industries . . . . .	—	—	—	—	—	-1	—	—	-1	—	—	—	—	—	-1
<b>Total . . . . .</b>	-3	—	3	-1	-6	-4	-4	-6	-1	38	5	40	34	-1	39
<b>Total, all sources and all industries . . . . .</b>	557	449	197	3	17	10	560	466	207	220	268	374	780	734	581

Notes: Figures shown are the changes between the calendar year-ends, 1964 to 1967 and represent net financing during 1965, 1966 and 1967.

Totals may not add exactly, due to rounding.

## APPENDIX XII

### Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Mining and primary metals industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	- 12	- 4	- 16	3	- 13
Investment in equity . . . . .	-	- 5	- 5	-	- 5
Sub-total . . . . .	- 12	- 9	- 21	3	- 18
From other sources:					
Loans and other credits . . . . .	5	-	5	-	5
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	5	-	5	-	5
<b>Total . . . . .</b>	<b>- 7</b>	<b>- 9</b>	<b>- 16</b>	<b>3</b>	<b>- 13</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	28	- 15	13	- 3	10
Investment in equity . . . . .	7	- 5	2	-	2
Sub-total . . . . .	35	- 20	15	- 3	12
From other sources:					
Loans and other credits . . . . .	9	-	9	5	14
Investment in equity . . . . .	1	-	1	- 1	-
Sub-total . . . . .	10	-	10	4	14
<b>Total . . . . .</b>	<b>45</b>	<b>- 20</b>	<b>25</b>	<b>1</b>	<b>26</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	9	- 6	3	3	6
Investment in equity . . . . .	9	1	10	2	12
Sub-total . . . . .	18	- 5	13	5	18
From other sources:					
Loans and other credits . . . . .	- 18	1	- 17	14	- 3
Investment in equity . . . . .	- 1	-	- 1	7	5
Sub-total . . . . .	- 19	1	- 18	21	2
<b>Total . . . . .</b>	<b>- 1</b>	<b>- 4</b>	<b>- 5</b>	<b>26</b>	<b>21</b>

Notes: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

Totals in Tables in Appendix XII may not add exactly, due to rounding.

## APPENDIX XII

Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Gas and oil industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	96	-13	83	4	87
Investment in equity . . . . .	25	2	27	—	27
Sub-total . . . . .	121	-11	110	4	114
From other sources:					
Loans and other credits . . . . .	67	—	67	-5	62
Investment in equity . . . . .	-4	—	-4	4	—
Sub-total . . . . .	63	—	63	-1	62
<b>Total . . . . .</b>	<b>184</b>	<b>-11</b>	<b>173</b>	<b>3</b>	<b>176</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	-45	15	-30	-2	-32
Investment in equity . . . . .	24	7	31	—	31
Sub-total . . . . .	-21	22	1	-2	-1
From other sources:					
Loans and other credits . . . . .	-12	-1	-13	10	-3
Investment in equity . . . . .	-1	-6	-7	6	-1
Sub-total . . . . .	-13	-7	-20	16	-4
<b>Total . . . . .</b>	<b>-34</b>	<b>15</b>	<b>-19</b>	<b>14</b>	<b>-5</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	26	12	38	8	46
Investment in equity . . . . .	14	5	19	—	19
Sub-total . . . . .	40	17	57	8	65
From other sources:					
Loans and other credits . . . . .	-22	—	-22	73	51
Investment in equity . . . . .	4	1	5	41	46
Sub-total . . . . .	-18	1	-17	114	97
<b>Total . . . . .</b>	<b>22</b>	<b>18</b>	<b>40</b>	<b>122</b>	<b>162</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

## APPENDIX XII

### Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Machinery and metal fabricating industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	16	3	19	- 4	15
Investment in equity . . . . .	1	-	1	-	1
Sub-total . . . . .	17	3	20	- 4	16
From other sources:					
Loans and other credits . . . . .	5	-	5	26	31
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	5	-	5	26	31
<b>Total . . . . .</b>	<b>22</b>	<b>3</b>	<b>25</b>	<b>22</b>	<b>47</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	16	3	19	3	22
Investment in equity . . . . .	14	-	14	-	14
Sub-total . . . . .	30	3	33	3	36
From other sources:					
Loans and other credits . . . . .	8	-	8	68	76
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	8	-	8	68	76
<b>Total . . . . .</b>	<b>38</b>	<b>3</b>	<b>41</b>	<b>71</b>	<b>112</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	6	- 2	4	-	4
Investment in equity . . . . .	16	1	17	1	18
Sub-total . . . . .	22	- 1	21	1	22
From other sources:					
Loans and other credits . . . . .	- 1	-	- 1	17	16
Investment in equity . . . . .	-	-	- 1	-	- 1
Sub-total . . . . .	- 1	- 1	- 2	17	15
<b>Total . . . . .</b>	<b>21</b>	<b>- 2</b>	<b>19</b>	<b>18</b>	<b>37</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.



# APPENDIX XII

## Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Transportation equipment industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	174	1	175	36	211
Investment in equity . . . . .	1	—	1	—	1
Sub-total . . . . .	175	1	176	36	212
From other sources:					
Loans and other credits . . . . .	14	—	14	5	19
Investment in equity . . . . .	—	—	—	—	—
Sub-total . . . . .	14	—	14	5	19
<b>Total . . . . .</b>	<b>189</b>	<b>1</b>	<b>190</b>	<b>41</b>	<b>231</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	188	-5	183	-8	175
Investment in equity . . . . .	13	-1	13	—	12
Sub-total . . . . .	201	-6	195	-8	187
From other sources:					
Loans and other credits . . . . .	11	—	11	82	93
Investment in equity . . . . .	—	—	—	—	—
Sub-total . . . . .	11	—	11	82	93
<b>Total . . . . .</b>	<b>212</b>	<b>-6</b>	<b>206</b>	<b>74</b>	<b>280</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	35	4	39	-3	36
Investment in equity . . . . .	4	—	4	—	4
Sub-total . . . . .	39	4	43	-3	40
From other sources:					
Loans and other credits . . . . .	4	—	4	87	91
Investment in equity . . . . .	—	—	—	—	—
Sub-total . . . . .	4	—	4	87	91
<b>Total . . . . .</b>	<b>43</b>	<b>4</b>	<b>47</b>	<b>84</b>	<b>131</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

# APPENDIX XII

## Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Electrical products industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits .....	5	6	11	1	12
Investment in equity .....	—	—	—	—	—
Sub-total .....	5	6	11	1	12
From other sources:					
Loans and other credits .....	1	—	1	14	15
Investment in equity .....	—	—	—	1	1
Sub-total .....	1	—	1	15	16
<b>Total .....</b>	<b>6</b>	<b>6</b>	<b>12</b>	<b>16</b>	<b>28</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits .....	27	1	28	—	28
Investment in equity .....	7	5	12	—	12
Sub-total .....	34	6	40	—	40
From other sources:					
Loans and other credits .....	—	—	—	16	16
Investment in equity .....	1	—	1	1	2
Sub-total .....	1	—	1	17	18
<b>Total .....</b>	<b>35</b>	<b>6</b>	<b>41</b>	<b>17</b>	<b>58</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits .....	— 9	— 5	— 14	— 4	— 18
Investment in equity .....	33	—	33	—	33
Sub-total .....	24	— 5	19	— 4	15
From other sources:					
Loans and other credits .....	— 1	—	— 1	51	50
Investment in equity .....	—	—	—	—	—
Sub-total .....	— 1	—	— 1	51	50
<b>Total .....</b>	<b>23</b>	<b>— 5</b>	<b>18</b>	<b>47</b>	<b>65</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

# APPENDIX XII

## Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Pulp and paper industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits .....	8	—	8	— 3	5
Investment in equity .....	— 1	—	— 1	—	— 1
Sub-total .....	7	—	7	— 3	4
From other sources:					
Loans and other credits .....	34	—	34	2	36
Investment in equity .....	—	—	—	16	16
Sub-total .....	34	—	34	18	52
<b>Total .....</b>	<b>41</b>	<b>—</b>	<b>41</b>	<b>15</b>	<b>56</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits .....	5	3	8	— 3	5
Investment in equity .....	— 1	2	1	—	1
Sub-total .....	4	5	9	— 3	6
From other sources:					
Loans and other credits .....	66	8	74	— 21	53
Investment in equity .....	—	—	—	— 2	— 2
Sub-total .....	66	8	74	— 23	51
<b>Total .....</b>	<b>70</b>	<b>13</b>	<b>83</b>	<b>— 26</b>	<b>57</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits .....	35	5	40	— 6	34
Investment in equity .....	1	12	13	3	16
Sub-total .....	36	17	53	— 3	50
From other sources:					
Loans and other credits .....	— 3	7	4	24	28
Investment in equity .....	—	— 5	— 5	— 7	— 12
Sub-total .....	— 3	2	— 1	17	16
<b>Total .....</b>	<b>33</b>	<b>19</b>	<b>52</b>	<b>14</b>	<b>66</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

# APPENDIX XII

## Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Chemical products industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	22	-4	18	-5	13
Investment in equity . . . . .	50	12	62	-	62
Sub-total . . . . .	72	8	80	-5	75
From other sources:					
Loans and other credits . . . . .	-	-	-	9	9
Investment in equity . . . . .	-	-	-	11	11
Sub-total . . . . .	-	-	-	20	20
<b>Total . . . . .</b>	<b>72</b>	<b>8</b>	<b>80</b>	<b>15</b>	<b>95</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	17	-26	-9	-1	-10
Investment in equity . . . . .	-	21	21	-	21
Sub-total . . . . .	17	-5	12	-1	11
From other sources:					
Loans and other credits . . . . .	12	-	12	45	57
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	12	-	12	45	57
<b>Total . . . . .</b>	<b>29</b>	<b>-5</b>	<b>24</b>	<b>44</b>	<b>68</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	-	-10	-10	2	-8
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	-	-10	-10	2	-8
From other sources:					
Loans and other credits . . . . .	19	-	19	28	47
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	19	-	19	28	47
<b>Total . . . . .</b>	<b>19</b>	<b>-10</b>	<b>9</b>	<b>30</b>	<b>39</b>

*Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.*



# APPENDIX XII

## Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Food and beverage industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	2	- 1	1	1	2
Investment in equity . . . . .	2	- 2	-	-	-
Sub-total . . . . .	4	- 3	1	1	2
From other sources:					
Loans and other credits . . . . .	11	-	11	11	22
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	11	-	11	11	22
<b>Total . . . . .</b>	<b>15</b>	<b>- 3</b>	<b>12</b>	<b>12</b>	<b>24</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	1	8	9	- 1	8
Investment in equity . . . . .	4	2	6	-	6
Sub-total . . . . .	5	10	15	- 1	14
From other sources:					
Loans and other credits . . . . .	1	-	1	33	34
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	1	-	1	33	34
<b>Total . . . . .</b>	<b>6</b>	<b>10</b>	<b>16</b>	<b>32</b>	<b>48</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	1	- 6	- 5	-	- 5
Investments in equity . . . . .	9	3	12	-	12
Sub-total . . . . .	10	- 3	7	-	7
From other sources:					
Loans and other credits . . . . .	6	-	6	15	21
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	6	-	6	15	21
<b>Total . . . . .</b>	<b>16</b>	<b>- 3</b>	<b>13</b>	<b>15</b>	<b>28</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

## APPENDIX XII

### Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Other manufacturing industries	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	- 4	1	- 3	1	- 2
Investment in equity . . . . .	20	-	20	-	20
Sub-total . . . . .	16	1	17	1	18
From other sources:					
Loans and other credits . . . . .	13	-	13	33	46
Investment in equity . . . . .	1	-	1	6	7
Sub-total . . . . .	14	-	14	39	53
<b>Total . . . . .</b>	<b>30</b>	<b>1</b>	<b>31</b>	<b>40</b>	<b>71</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	-	1	1	- 1	-
Investment in equity . . . . .	1	-	1	-	1
Sub-total . . . . .	1	1	2	- 1	1
From other sources:					
Loans and other credits . . . . .	18	-	18	41	59
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	18	-	18	41	59
<b>Total . . . . .</b>	<b>19</b>	<b>1</b>	<b>20</b>	<b>40</b>	<b>60</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	22	- 3	19	- 1	18
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	22	- 3	19	- 1	18
From other sources:					
Loans and other credits . . . . .	3	-	3	- 18	- 15
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	3	-	3	- 18	- 15
<b>Total . . . . .</b>	<b>25</b>	<b>- 3</b>	<b>22</b>	<b>- 19</b>	<b>3</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

## APPENDIX XII

Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967  
In millions of dollars

Wholesale trade industry	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	3	9	12	4	16
Investment in equity . . . . .	-3	-	-3	-	-3
Sub-total . . . . .	-	9	9	4	13
From other sources:					
Loans and other credits . . . . .	-5	-2	-7	41	34
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	-5	-2	-7	41	34
<b>Total . . . . .</b>	<b>-5</b>	<b>7</b>	<b>2</b>	<b>45</b>	<b>47</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	22	-5	17	6	23
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	22	-5	17	6	23
From other sources:					
Loans and other credits . . . . .	1	4	5	-10	-5
Investment in equity . . . . .	-	-	-	-	-
Sub-total . . . . .	1	4	5	-10	-5
<b>Total . . . . .</b>	<b>23</b>	<b>-1</b>	<b>22</b>	<b>-4</b>	<b>18</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	-10	-5	-15	3	-12
Investment in equity . . . . .	1	-	1	-	1
Sub-total . . . . .	-9	-5	-14	3	-11
From other sources:					
Loans and other credits . . . . .	-	-2	-2	36	34
Investment in equity . . . . .	-	2	2	-1	1
Sub-total . . . . .	-	-	-	35	35
<b>Total . . . . .</b>	<b>-9</b>	<b>-5</b>	<b>-14</b>	<b>38</b>	<b>24</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.

# APPENDIX XII

## Sources and Geographic Origins of Net External Funds, All Reporting Corporations, by Industry, Annually, 1965 to 1967

In millions of dollars

Other non-manufacturing industries	From United States	From other foreign countries	From all foreign countries	From Canada	From all countries
<b>1965</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	4	—	4	2	6
Investment in equity . . . . .	—	—	—	—	—
Sub-total . . . . .	4	—	4	2	6
From other sources:					
Loans and other credits . . . . .	6	—	6	6	12
Investment in equity . . . . .	—	—	—	—	—
Sub-total . . . . .	6	—	6	6	12
<b>Total . . . . .</b>	<b>10</b>	<b>—</b>	<b>10</b>	<b>8</b>	<b>18</b>
<b>1966</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	16	1	17	1	18
Investment in equity . . . . .	-4	—	-4	—	-4
Sub-total . . . . .	12	1	13	1	14
From other sources:					
Loans and other credits . . . . .	-6	—	-6	4	-2
Investment in equity . . . . .	—	—	—	—	—
Sub-total . . . . .	-6	—	-6	4	-2
<b>Total . . . . .</b>	<b>6</b>	<b>1</b>	<b>7</b>	<b>5</b>	<b>12</b>
<b>1967</b>					
From parents and affiliates:					
Loans, advances and other credits . . . . .	-8	1	-7	-3	-10
Investment in equity . . . . .	6	1	7	—	7
Sub-total . . . . .	-2	2	—	-3	-3
From other sources:					
Loans and other credits . . . . .	7	—	7	2	9
Investment in equity . . . . .	—	-1	-1	—	-1
Sub-total . . . . .	7	-1	6	2	8
<b>Total . . . . .</b>	<b>5</b>	<b>-1</b>	<b>6</b>	<b>-1</b>	<b>5</b>

Note: Figures shown are changes between the ends of calendar years 1964 to 1967, and represent the net financing during the years 1965, 1966 and 1967.



# APPENDIX XIII

Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Mining and primary metals industry	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Investment in shares . . . . .	—	—	—	2	—	—	2
Advances and loans . . . . .	20	25	20	—	5	—5	—20
Other investments . . . . .	2	2	3	—	—	1	—3
Other amounts receivable . . . . .	6	20	14	44	14	—6	30
<b>Total . . . . .</b>	<b>28</b>	<b>47</b>	<b>37</b>	<b>46</b>	<b>19</b>	<b>—10</b>	<b>9</b>
Other foreign countries:							
Investment in shares . . . . .	7	8	8	8	1	—	—
Advances and loans . . . . .	2	2	1	—	—	—1	—1
Other investments . . . . .	2	2	1	—	—	—1	—1
Other amounts receivable . . . . .	13	14	11	9	1	—3	—2
<b>Total . . . . .</b>	<b>24</b>	<b>26</b>	<b>21</b>	<b>17</b>	<b>2</b>	<b>—5</b>	<b>—4</b>
All foreign countries:							
Investment in shares . . . . .	7	8	8	10	1	—	2
Advances and loans . . . . .	22	27	21	—	5	—6	—21
Other investments . . . . .	4	4	4	—	—	—	—4
Other amounts receivable . . . . .	19	34	25	53	15	—9	28
<b>Total . . . . .</b>	<b>52</b>	<b>73</b>	<b>58</b>	<b>63</b>	<b>21</b>	<b>—15</b>	<b>5</b>
Canada:							
Investment in shares . . . . .	41	38	40	43	—3	2	3
Advances and loans . . . . .	4	8	8	4	4	—	—4
Other investments . . . . .	1	1	1	5	—	—	4
Other amounts receivable . . . . .	6	6	4	6	—	—2	2
<b>Total . . . . .</b>	<b>52</b>	<b>53</b>	<b>53</b>	<b>58</b>	<b>1</b>	<b>—</b>	<b>5</b>
All countries:							
Investment in shares . . . . .	48	46	48	53	—2	2	5
Advances and loans . . . . .	26	35	29	4	9	—6	—25
Other investments . . . . .	5	5	5	5	—	—	—
Other amounts receivable . . . . .	25	40	29	59	15	—11	30
<b>Total . . . . .</b>	<b>104</b>	<b>126</b>	<b>111</b>	<b>121</b>	<b>22</b>	<b>—15</b>	<b>10</b>

Note: Totals in Tables in Appendix XIII may not add exactly, due to rounding.

# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Gas and oil industry	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Investment in shares . . . . .	3	3	1	1	—	— 2	—
Advances and loans . . . . .	11	1	—	—	— 10	— 1	—
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	6	5	7	14	— 1	2	7
<b>Total . . . . .</b>	<b>20</b>	<b>9</b>	<b>8</b>	<b>15</b>	<b>— 11</b>	<b>— 1</b>	<b>7</b>
Other foreign countries:							
Investment in shares . . . . .	8	9	20	18	1	11	— 2
Advances and loans . . . . .	—	1	—	1	1	— 1	1
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	2	2	3	2	—	1	— 1
<b>Total . . . . .</b>	<b>10</b>	<b>12</b>	<b>23</b>	<b>21</b>	<b>2</b>	<b>11</b>	<b>— 2</b>
All foreign countries:							
Investment in shares . . . . .	11	12	21	19	1	9	— 2
Advances and loans . . . . .	11	2	—	1	— 9	— 2	1
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	8	7	10	16	— 1	3	6
<b>Total . . . . .</b>	<b>30</b>	<b>21</b>	<b>31</b>	<b>36</b>	<b>— 9</b>	<b>10</b>	<b>5</b>
Canada:							
Investment in shares . . . . .	61	83	72	73	22	— 11	1
Advances and loans . . . . .	10	43	86	111	33	43	25
Other investments . . . . .	8	3	3	1	— 5	—	— 2
Other amounts receivable . . . . .	6	8	14	7	2	6	— 7
<b>Total . . . . .</b>	<b>85</b>	<b>137</b>	<b>175</b>	<b>192</b>	<b>52</b>	<b>38</b>	<b>17</b>
All countries:							
Investment in shares . . . . .	72	95	93	92	23	— 2	— 1
Advances and loans . . . . .	21	45	86	112	24	41	26
Other investments . . . . .	8	3	3	1	— 5	—	— 2
Other amounts receivable . . . . .	14	15	24	23	1	9	— 1
<b>Total . . . . .</b>	<b>115</b>	<b>158</b>	<b>206</b>	<b>228</b>	<b>43</b>	<b>48</b>	<b>22</b>

# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Machinery and metal fabricating industry	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Investment in shares . . . . .	2	1	1	—	—1	—	—1
Advances and loans . . . . .	—	1	1	1	1	—	—
Other investments . . . . .	—	3	—	—	3	—3	—
Other amounts receivable . . . . .	5	8	14	15	3	6	1
<b>Total . . . . .</b>	<b>7</b>	<b>13</b>	<b>16</b>	<b>16</b>	<b>6</b>	<b>3</b>	<b>—</b>
Other foreign countries:							
Investment in shares . . . . .	5	5	12	12	—	7	—
Advances and loans . . . . .	5	4	1	1	—1	—3	—
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	7	4	6	7	—3	2	1
<b>Total . . . . .</b>	<b>17</b>	<b>13</b>	<b>19</b>	<b>20</b>	<b>—4</b>	<b>6</b>	<b>1</b>
All foreign countries:							
Investment in shares . . . . .	7	6	13	12	—1	7	—1
Advances and loans . . . . .	5	5	2	2	—	—3	—
Other investments . . . . .	—	3	—	—	3	—3	—
Other amounts receivable . . . . .	12	12	20	22	—	8	2
<b>Total . . . . .</b>	<b>24</b>	<b>26</b>	<b>35</b>	<b>36</b>	<b>2</b>	<b>9</b>	<b>1</b>
Canada:							
Investment in shares . . . . .	5	5	5	6	—	—	1
Advances and loans . . . . .	3	2	2	3	—1	—	1
Other investments . . . . .	3	3	—	—	—	—3	—
Other amounts receivable . . . . .	18	16	11	9	—2	—5	—2
<b>Total . . . . .</b>	<b>29</b>	<b>26</b>	<b>18</b>	<b>18</b>	<b>—3</b>	<b>—8</b>	<b>—</b>
All Countries:							
Investments in shares . . . . .	12	11	18	18	—1	7	—
Advances and loans . . . . .	8	7	4	5	—1	—3	1
Other investments . . . . .	3	6	—	—	3	—6	—
Other amounts receivable . . . . .	30	28	31	31	—2	3	—
<b>Total . . . . .</b>	<b>53</b>	<b>52</b>	<b>53</b>	<b>54</b>	<b>—1</b>	<b>1</b>	<b>1</b>

# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Transportation equipment	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
<b>United States:</b>							
Investment in shares .....	—	—	—	—	—	—	—
Advances and loans .....	3	2	1	2	-1	-1	-1
Other investments .....	—	1	—	—	1	-1	—
Other amounts receivable .....	20	51	101	146	31	50	45
<b>Total .....</b>	<b>23</b>	<b>54</b>	<b>102</b>	<b>148</b>	<b>31</b>	<b>48</b>	<b>46</b>
<b>Other foreign countries:</b>							
Investment in shares .....	22	22	29	30	—	7	1
Advances and loans .....	34	34	33	33	—	-1	—
Other investments .....	—	—	—	—	—	—	—
Other amounts receivable .....	8	11	8	10	3	-3	2
<b>Total .....</b>	<b>64</b>	<b>67</b>	<b>70</b>	<b>73</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>All foreign countries:</b>							
Investment in shares .....	22	22	29	30	—	7	1
Advances and loans .....	37	36	34	35	-1	-2	1
Other investments .....	—	1	—	—	1	-1	—
Other amounts receivable .....	28	62	109	156	34	47	47
<b>Total .....</b>	<b>87</b>	<b>121</b>	<b>172</b>	<b>221</b>	<b>34</b>	<b>51</b>	<b>49</b>
<b>Canada:</b>							
Investment in shares .....	21	22	30	34	1	8	4
Advances and loans .....	5	9	13	12	4	4	-1
Other investments .....	1	6	2	4	5	-4	2
Other amounts receivable .....	33	73	94	104	40	21	10
<b>Total .....</b>	<b>60</b>	<b>110</b>	<b>139</b>	<b>154</b>	<b>50</b>	<b>29</b>	<b>15</b>
<b>All countries:</b>							
Investment in shares .....	43	44	59	64	1	15	5
Advances and loans .....	42	45	47	47	3	2	—
Other investments .....	1	7	2	4	6	-5	2
Other amounts receivable .....	61	135	203	260	74	68	57
<b>Total .....</b>	<b>147</b>	<b>231</b>	<b>311</b>	<b>375</b>	<b>84</b>	<b>80</b>	<b>64</b>



# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Chemical products industry	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Investment in shares . . . . .	—	—	—	—	—	—	—
Advances and loans . . . . .	1	4	6	5	3	2	— 1
Other investments . . . . .	—	25	25	—	25	—	— 25
Other amounts receivable . . . . .	7	4	4	10	— 3	—	6
<b>Total . . . . .</b>	<b>8</b>	<b>33</b>	<b>35</b>	<b>15</b>	<b>25</b>	<b>2</b>	<b>— 20</b>
Other foreign countries:							
Investment in shares . . . . .	3	3	5	21	—	2	16
Advances and loans . . . . .	4	6	6	—	2	—	— 6
Other investments . . . . .	1	1	—	2	—	— 1	2
Other amounts receivable . . . . .	8	7	5	8	— 1	— 2	3
<b>Total . . . . .</b>	<b>16</b>	<b>17</b>	<b>16</b>	<b>31</b>	<b>1</b>	<b>— 1</b>	<b>15</b>
All foreign countries:							
Investment in shares . . . . .	3	3	5	21	—	2	16
Advances and loans . . . . .	5	10	12	5	5	2	— 7
Other investments . . . . .	1	26	25	2	25	— 1	— 23
Other amounts receivable . . . . .	15	11	9	18	— 4	— 2	9
<b>Total . . . . .</b>	<b>24</b>	<b>50</b>	<b>51</b>	<b>46</b>	<b>26</b>	<b>1</b>	<b>— 5</b>
Canada:							
Investment in shares . . . . .	1	5	8	25	4	3	17
Advances and loans . . . . .	1	1	7	12	—	6	5
Other investments . . . . .	7	6	—	6	— 1	— 6	6
Other amounts receivable . . . . .	2	3	2	2	1	— 1	—
<b>Total . . . . .</b>	<b>11</b>	<b>15</b>	<b>17</b>	<b>45</b>	<b>4</b>	<b>2</b>	<b>28</b>
All countries:							
Investment in shares . . . . .	4	8	13	46	4	5	33
Advances and loans . . . . .	6	11	19	17	5	8	— 2
Other investments . . . . .	8	32	25	8	24	— 7	— 17
Other amounts receivable . . . . .	17	14	11	20	— 3	— 3	9
<b>Total . . . . .</b>	<b>35</b>	<b>65</b>	<b>68</b>	<b>91</b>	<b>30</b>	<b>3</b>	<b>23</b>

# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Electrical products industry	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
<b>United States:</b>							
Investment in shares . . . . .	—	—	1	1	—	1	—
Advances and loans . . . . .	—	—	—	—	—	—	—
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	6	5	11	14	— 1	6	3
<b>Total . . . . .</b>	<b>6</b>	<b>5</b>	<b>12</b>	<b>15</b>	<b>— 1</b>	<b>7</b>	<b>3</b>
<b>Other foreign countries:</b>							
Investment in shares . . . . .	1	1	1	—	—	—	— 1
Advances and loans . . . . .	—	1	1	—	1	—	— 1
Other investments . . . . .	2	—	—	1	— 2	—	1
Other amounts receivable . . . . .	4	8	6	2	4	— 2	— 4
<b>Total . . . . .</b>	<b>7</b>	<b>10</b>	<b>8</b>	<b>3</b>	<b>3</b>	<b>— 2</b>	<b>— 5</b>
<b>All foreign countries:</b>							
Investment in shares . . . . .	1	1	2	1	—	1	— 1
Advances and loans . . . . .	—	1	1	—	1	—	— 1
Other investments . . . . .	2	—	—	1	— 2	—	1
Other amounts receivable . . . . .	10	13	17	16	3	4	— 1
<b>Total . . . . .</b>	<b>13</b>	<b>15</b>	<b>20</b>	<b>18</b>	<b>2</b>	<b>5</b>	<b>— 2</b>
<b>Canada:</b>							
Investment in shares . . . . .	3	6	8	22	3	2	14
Advances and loans . . . . .	3	4	2	3	1	— 2	1
Other investments . . . . .	1	3	1	—	2	— 2	— 1
Other amounts receivable . . . . .	28	30	17	16	2	— 13	— 1
<b>Total . . . . .</b>	<b>35</b>	<b>43</b>	<b>28</b>	<b>41</b>	<b>8</b>	<b>— 15</b>	<b>13</b>
<b>All countries:</b>							
Investment in shares . . . . .	4	7	10	23	3	3	13
Advances and loans . . . . .	3	5	3	3	2	— 2	—
Other investments . . . . .	3	3	1	1	—	— 2	—
Other amounts receivable . . . . .	38	43	34	32	5	— 9	— 2
<b>Total . . . . .</b>	<b>48</b>	<b>58</b>	<b>48</b>	<b>59</b>	<b>10</b>	<b>— 10</b>	<b>11</b>

# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Food and beverage industry	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Investment in shares .....	—	—	—	—	—	—	—
Advances and loans .....	—	—	2	4	—	2	2
Other investments .....	—	—	—	—	—	—	—
Other amounts receivable .....	5	2	3	2	-3	1	-1
<b>Total .....</b>	<b>5</b>	<b>2</b>	<b>5</b>	<b>6</b>	<b>-3</b>	<b>3</b>	<b>1</b>
Other foreign countries:							
Investment in shares .....	11	12	12	17	1	—	5
Advances and loans .....	2	1	1	2	-1	—	1
Other investments .....	—	—	—	—	—	—	—
Other amounts receivable .....	5	6	3	2	1	-3	-1
<b>Total .....</b>	<b>18</b>	<b>19</b>	<b>16</b>	<b>21</b>	<b>1</b>	<b>-3</b>	<b>5</b>
All foreign countries:							
Investment in shares .....	11	12	12	17	1	—	5
Advances and loans .....	2	1	3	6	-1	2	3
Other investments .....	—	—	—	—	—	—	—
Other amounts receivable .....	10	8	6	4	-2	-2	-2
<b>Total .....</b>	<b>23</b>	<b>21</b>	<b>21</b>	<b>27</b>	<b>-2</b>	<b>—</b>	<b>6</b>
Canada:							
Investment in shares .....	6	7	17	30	1	10	13
Advances and loans .....	3	5	7	8	2	2	1
Other investments .....	2	1	2	2	-1	1	—
Other amounts receivable .....	8	9	9	3	1	—	-6
<b>Total .....</b>	<b>19</b>	<b>22</b>	<b>35</b>	<b>43</b>	<b>3</b>	<b>13</b>	<b>8</b>
All countries:							
Investment in shares .....	17	19	29	47	2	10	18
Advances and loans .....	5	6	10	14	1	4	4
Other investments .....	2	1	2	2	-1	1	—
Other amounts receivable .....	18	17	15	7	-1	-2	-8
<b>Total .....</b>	<b>42</b>	<b>43</b>	<b>56</b>	<b>70</b>	<b>1</b>	<b>13</b>	<b>14</b>

# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Pulp and paper industry	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Investment in shares . . . . .	30	30	30	30	—	—	—
Advances and loans . . . . .	9	11	9	9	2	—2	—
Other investments . . . . .	14	12	8	1	—2	—4	—7
Other amounts receivable . . . . .	36	34	52	39	—2	18	—13
<b>Total . . . . .</b>	<b>89</b>	<b>87</b>	<b>99</b>	<b>79</b>	<b>—2</b>	<b>12</b>	<b>—20</b>
Other foreign countries:							
Investment in shares . . . . .	1	5	9	10	4	4	1
Advances and loans . . . . .	1	—	1	1	—1	1	—
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	12	11	14	8	—1	3	—6
<b>Total . . . . .</b>	<b>14</b>	<b>16</b>	<b>24</b>	<b>19</b>	<b>2</b>	<b>8</b>	<b>—5</b>
All foreign countries:							
Investment in shares . . . . .	31	35	39	40	4	4	1
Advances and loans . . . . .	10	11	10	10	1	—1	—
Other investments . . . . .	14	12	8	1	—2	—4	—7
Other amounts receivable . . . . .	48	45	66	47	—3	21	—19
<b>Total . . . . .</b>	<b>103</b>	<b>103</b>	<b>123</b>	<b>98</b>	<b>—</b>	<b>20</b>	<b>—25</b>
Canada:							
Investment in shares . . . . .	43	53	18	25	10	—35	7
Advances and loans . . . . .	1	2	7	7	1	5	—
Other investments . . . . .	16	16	14	18	—	—2	4
Other amounts receivable . . . . .	27	23	10	6	—4	—13	—4
<b>Total . . . . .</b>	<b>87</b>	<b>94</b>	<b>49</b>	<b>56</b>	<b>7</b>	<b>—45</b>	<b>7</b>
All countries:							
Investment in shares . . . . .	74	88	57	65	14	—31	8
Advances and loans . . . . .	11	13	17	17	2	4	—
Other investments . . . . .	30	28	22	19	—2	—6	—3
Other amounts receivable . . . . .	75	68	76	53	—7	8	—23
<b>Total . . . . .</b>	<b>190</b>	<b>197</b>	<b>172</b>	<b>154</b>	<b>7</b>	<b>—25</b>	<b>—18</b>



# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Other manufacturing industries	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Investment in shares .....	—	—	—	—	—	—	—
Advances and loans .....	—	—	1	—	—	1	-1
Other investments .....	—	—	—	—	—	—	—
Other amounts receivable .....	3	5	3	3	2	-2	—
<b>Total .....</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>-1</b>	<b>-1</b>
Other foreign countries:							
Investment in shares .....	3	4	5	5	1	1	—
Advances and loans .....	3	5	5	4	2	—	-1
Other investments .....	—	—	—	—	—	—	—
Other amounts receivable .....	5	6	9	8	1	3	-1
<b>Total .....</b>	<b>11</b>	<b>15</b>	<b>19</b>	<b>17</b>	<b>4</b>	<b>4</b>	<b>-2</b>
All foreign countries:							
Investment in shares .....	3	4	5	5	1	1	—
Advances and loans .....	3	5	6	4	2	1	-2
Other investments .....	—	—	—	—	—	—	—
Other amounts receivable .....	8	11	12	11	3	1	-1
<b>Total .....</b>	<b>14</b>	<b>20</b>	<b>23</b>	<b>20</b>	<b>6</b>	<b>3</b>	<b>-3</b>
Canada:							
Investment in shares .....	2	19	19	18	17	—	-1
Advances and loans .....	3	1	—	1	-2	-1	1
Other investments .....	—	—	—	1	—	—	1
Other amounts receivable .....	9	10	9	7	1	-1	-2
<b>Total .....</b>	<b>14</b>	<b>30</b>	<b>28</b>	<b>27</b>	<b>16</b>	<b>-2</b>	<b>-1</b>
All countries:							
Investment in shares .....	5	23	24	23	18	1	-1
Advances and loans .....	6	6	6	5	—	—	-1
Other investments .....	—	—	—	1	—	—	1
Other amounts receivable .....	17	21	21	18	4	—	-3
<b>Total .....</b>	<b>28</b>	<b>50</b>	<b>51</b>	<b>47</b>	<b>22</b>	<b>1</b>	<b>-4</b>

# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Wholesale trade industry	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
United States:							
Investment in shares . . . . .	—	—	—	—	—	—	—
Advances and loans . . . . .	—	—	—	—	—	—	—
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	14	11	16	15	— 3	5	— 1
<b>Total . . . . .</b>	<b>14</b>	<b>11</b>	<b>16</b>	<b>15</b>	<b>— 3</b>	<b>5</b>	<b>— 1</b>
Other foreign countries:							
Investment in shares . . . . .	7	7	11	12	—	4	1
Advances and loans . . . . .	—	—	—	—	—	—	—
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	29	27	10	10	— 2	— 17	—
<b>Total . . . . .</b>	<b>36</b>	<b>34</b>	<b>21</b>	<b>22</b>	<b>— 2</b>	<b>— 13</b>	<b>1</b>
All foreign countries:							
Investment in shares . . . . .	7	7	11	12	—	4	1
Advances and loans . . . . .	—	—	—	—	—	—	—
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	43	38	26	25	— 5	— 12	— 1
<b>Total . . . . .</b>	<b>50</b>	<b>45</b>	<b>37</b>	<b>37</b>	<b>— 5</b>	<b>— 8</b>	<b>—</b>
Canada:							
Investment in shares . . . . .	5	3	4	16	— 2	1	12
Advances and loans . . . . .	9	4	7	4	— 5	3	— 3
Other investments . . . . .	1	1	—	—	—	— 1	—
Other amounts receivable . . . . .	3	5	7	7	2	2	—
<b>Total . . . . .</b>	<b>18</b>	<b>13</b>	<b>18</b>	<b>27</b>	<b>— 5</b>	<b>5</b>	<b>9</b>
All countries:							
Investment in shares . . . . .	12	10	15	28	— 2	5	13
Advances and loans . . . . .	9	4	7	4	— 5	3	— 3
Other investments . . . . .	1	1	—	—	—	— 1	—
Other amounts receivable . . . . .	46	43	33	32	— 3	— 10	— 1
<b>Total . . . . .</b>	<b>68</b>	<b>58</b>	<b>55</b>	<b>64</b>	<b>— 10</b>	<b>— 3</b>	<b>9</b>

# APPENDIX XIII

## Investments in Parents and Affiliates in the United States, in Other Foreign Countries and in Canada, All Reporting Corporations, by Industry and by Type of Investment, Annually, 1964 to 1967

In millions of dollars

Other non-manufacturing industries	Amount				Change from		
	1964	1965	1966	1967	1964	1965	1966
<b>United States:</b>							
Investment in shares . . . . .	4	4	—	—	—	— 4	—
Advances and loans . . . . .	—	—	2	6	—	2	4
Other investments . . . . .	—	1	—	—	1	— 1	—
Other amounts receivable . . . . .	2	1	3	4	— 1	2	1
<b>Total . . . . .</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>10</b>	<b>—</b>	<b>— 1</b>	<b>5</b>
<b>Other foreign countries:</b>							
Investment in shares . . . . .	1	1	—	10	—	— 1	10
Advances and loans . . . . .	—	—	—	10	—	—	10
Other investments . . . . .	—	—	—	—	—	—	—
Other amounts receivable . . . . .	—	—	—	—	—	—	—
<b>Total . . . . .</b>	<b>1</b>	<b>1</b>	<b>—</b>	<b>20</b>	<b>—</b>	<b>— 1</b>	<b>20</b>
<b>All foreign countries:</b>							
Investment in shares . . . . .	5	5	—	10	—	— 5	10
Advances and loans . . . . .	—	—	2	16	—	2	14
Other investments . . . . .	—	1	—	—	1	— 1	—
Other amounts receivable . . . . .	2	1	3	4	— 1	2	1
<b>Total . . . . .</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>30</b>	<b>—</b>	<b>— 2</b>	<b>25</b>
<b>Canada:</b>							
Investment in shares . . . . .	24	22	18	13	— 2	— 4	— 5
Advances and loans . . . . .	24	15	12	5	— 9	— 3	— 7
Other investments . . . . .	2	3	2	4	1	— 1	2
Other amounts receivable . . . . .	17	18	18	5	1	—	— 13
<b>Total . . . . .</b>	<b>67</b>	<b>58</b>	<b>50</b>	<b>27</b>	<b>— 9</b>	<b>— 8</b>	<b>— 23</b>
<b>All countries:</b>							
Investment in shares . . . . .	29	27	18	23	— 2	— 9	5
Advances and loans . . . . .	24	15	14	21	— 9	— 1	7
Other investments . . . . .	2	4	2	4	2	— 2	2
Other amounts receivable . . . . .	19	19	21	9	—	2	— 12
<b>Total . . . . .</b>	<b>74</b>	<b>65</b>	<b>55</b>	<b>57</b>	<b>— 9</b>	<b>— 10</b>	<b>2</b>







